



Submitted Date: 9/16/2010 4:50:14 PM

Easygrants ID: 368

Funding Opportunity: Category One	Applicant Organization: The Trust for Public Land
Task: Submit Application Non-EO	Applicant Name: Mr. Sam Hodder



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Task: Submit Application Non-EO	Applicant Name: Mr. Sam Hodder

PROJECT CONTACT INFORMATION	
Name	Mr. Sam Hodder,
Title	Authorized Representative
Organization	The Trust for Public Land
Primary Address	101 Montgomery Street, Suite 900, , San Francisco, CA, 94104
Primary Phone/Fax	415-495-5660 Ext. 267
Primary Email	sam.hodder@tpl.org

Name	Mr. Sam Hodder,
Title	Authorized Representative
Organization	The Trust for Public Land
Primary Address	101 Montgomery Street, Suite 900, , San Francisco, CA, 94104
Primary Phone/Fax	415-495-5660 Ext. 267
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PROJECT INFORMATION

Project Title	Sierra Crest Working Forest Conservation Easement Phase III
Brief Description	This project will permanently protect 2,720 acres located in the Middle Yuba, Middle Fork Feather, and Little Truckee River headwaters in Sierra County. The project represents the third and final phase of a multi-phased land conservation initiative in the Tahoe National Forest that, when complete, will preserve forest cover, recreational access, and habitat linkages on approximately 7,085 acres of checkerboard lands – lands that would otherwise be threatened with residential land-use conversion.
Total Requested Amount	540,000.00
Other Fund Proposed	2,960,000.00
Total Project Cost	3,500,000.00
Project Category	Acquisition Projects
Project Area/Size	2720
Project Area Type	Acres
Have you submitted to SNC this fiscal year?	Yes
Is this application related to other SNC funding?	No

Project Results

Easement or other landowner agreement

Project Purpose	Project Purpose Percent
Habitat	



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Natural Disaster Risk Reduction (Fire)	
Recreation Use/Impact/Access	
Resource Management	
Working Landscapes	

County
Sierra

Sub Region
North Central



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PROJECT OTHER CONTACTS INFORMATION

Other Grant Project Contacts

Name:	Mr. Sam Hodder,
Project Role:	Authorized Representative
Phone:	4154955660
Phone Ext:	
E-mail:	sam.hodder@tpl.org

Name:	Carl Somers,
Project Role:	Day-to-Day Responsibility
Phone:	4158005287
Phone Ext:	
E-mail:	carl.somers@tpl.org

Name:	Mr. Tim Beals,
Project Role:	County Administration
Phone:	0000000000
Phone Ext:	
E-mail:	tbeals@sierracounty.ws

Name:	Ms. Harrison Sylvia,
Project Role:	Water Agency 1 Contact
Phone:	7753264360
Phone Ext:	
E-mail:	sharrison@mcdonaldcarano.com



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PROJECT LOCATION INFORMATION

Project Location

Address:	Forest Service Road 07/SR 80, N. FS07/Jackson Meadows
Road and, Webber Lake,	Truckee, CA, 96162 United States
Water Agency:	Truckee Meadows Water Authority
Latitude:	39.30.42.72N
Longitude:	120.23.28.87W
Congressional District:	N/A
Senate:	N/A
Assembly:	N/A
Within City Limits:	No
City Name:	



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PROJECT BUDGET INFORMATION

Direct

Description	Num of Units	Per Unit Cost	Total
Fees-Acquisition Cost	1	540,000.00	540,000.00

Total Direct	540,000.00
Direct Detail	

Budget Grant Total: 540,000.00



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PROJECT OTHER SUPPORT INFORMATION

Other Support for the Sierra Nevada

Type :	Project Funds Other
Estimated Amount:	540,000.00
Estimated Volunteer Hours:	1
Source:	Northern Sierra Partnership
Source Type:	Other
Status:	Pledged
Description:	Northern Sierra Partnership
Type :	Project Funds Other
Estimated Amount:	2,420,000.00
Estimated Volunteer Hours:	1
Source:	California Forest Conservation Board-Wildlife
Conservation Board	
Source Type:	Other
Status:	Application Submitted
Description:	California Forest Conservation Board-Wildlife
Conservation Board	

**Estimated Total Amount of
Resources Leveraged**

2,960,000.00



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PROJECT REGULATORY REQUIREMENTS

Regulatory Requirements

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PROJECT TIMELINE INFORMATION

Project Timeline

Milestone/Activity:	Site Appraisals
Description:	
Expected Date:	09/30/2010
Deliverable:	True

Milestone/Activity:	Option Agreement with Willing Seller
Description:	
Expected Date:	10/30/2010
Deliverable:	True

Milestone/Activity:	Matching Grant Request
Description:	
Expected Date:	07/31/2010
Deliverable:	True

Milestone/Activity:	Conservation Easements
Description:	TPL to place conservation easements over 2,720 acres of SPI alpine forest lands to complete the final phase of the Sierra Crest Conservation Easement Project
Expected Date:	07/31/2011
Deliverable:	True

Milestone/Activity:	Final Report
Description:	Submission of Final Report
Expected Date:	09/30/2011
Deliverable:	True



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PROJECT PEER REVIEWER INFORMATION

Reviewers

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UPLOADS

The following pages contain the following uploads provided by the applicant:

Upload Name
Completed Checklist
Table of Contents
Application Form
Authorization to Apply or Resolution
Bylaws (Non-Profit Organizations Only)
Project Summary
Evaluation Criteria Narrative
Detailed Budget Form
Performance Measures
Environmental Setting and Impacts



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Project Location Map
Parcel Map Showing County Assessors Parcel Number
Topographic Map
Photos of the Project Site
Photos of the Project Site
Photos of the Project Site
Photos of the Project Site
Photos of the Project Site
Acquisition Schedule
Willing Seller Letter
Land Tenure- Only for Site Improvement Projects
CEQA Documentation



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To preserve the integrity of the uploaded document, headers, footers and page numbers have not been added by the system.

Application Checklist for Category One Grants

Project Name: Sierra Crest Working Forest Conservation Easement Phase III

Applicant: The Trust for Public Land

1. ☒ Completed Checklist (EFN: Checklist.doc,.docx,.rtf, or .pdf)
2. ☒ Table of Contents (EFN: TOC.doc,.docx,.rtf, or .pdf)
3. ☒ Application Form (EFN: AppForm.doc, .docx, .rtf, or .pdf)
4. ☒ Authorization to Apply or Resolution (EFN: AuthRes. doc, .docx, .rtf, or .pdf)
- 5a. ☐ Articles of Incorporation [501(c)(3)s only] (EFN: ArtInc.doc, .docx, .rtf, or .pdf)
- 5b. ☒ Bylaws [501(c)(3)s only] (EFN: Bylaws.doc, .docx, .rtf, or .pdf)
- 5c. ☐ Tax Exempt Status Letter from the Internal Revenue Service [501(c)(3)s only] (EFN: IRS.doc,.docx,.rtf,.pdf)

For 5a and 5c, please refer to Nonprofit Certification Letter (EFN: NonProfitStatus.pdf)

6. ☒ Project Summary (Two page maximum) (ENF: ProjSum.doc, .docx, .rtf, or .pdf)
7. ☒ Evaluation Criteria Narrative (ENF: EvalCrit.doc, .docx, .rtf, .pdf)
8. ☒ Detailed Budget Form (ENF: Budget.xls, .xlsx)
9. ☒ Long Term Management Plan (no EFN - included in the Evaluation Criteria Narrative)
10. ☒ Performance Measures (ENF: Perform.doc, .docx, .rtf, or .pdf)
11. ☒ Environmental Setting and Impacts (ENF: EnvSetImp.docx, .docx, .rtf, .pdf)
12. ☒ Project Location Map (ENF: LocMap.pdf)
13. ☒ Parcel Map showing County Assessor's Parcel Number(s) (ENF: ParcelMap.pdf)
14. ☒ Topographic Map (ENF: Topo.pdf)
15. ☐ Site Plan (Site improvement/restoration projects) (ENF: SitePlan.pdf)

N/A: No site improvement or restoration is involved in this project

16. ☒ Photos of the Project Site (10 maximum) (ENF: Photo.jpg, .gif)
17. ☒ Acquisition Schedule (Acquisition projects) (ENF: AcqSched.doc,.docx,.rtf,.pdf)
18. ☒ Willing Seller Letter (Acquisition projects) (ENF: WillSell.pdf)
19. ☒ Land Tenure (For site improvement/restoration projects) (ENF: Tenure.pdf)

Acquisition Project: Proposed Conservation Easement Language

20. ☐ Leases or Agreements (ENF: LeaseAgrmnt.pdf)

N/A: There are no leases or agreements that affect this property

21. ☒ California Environmental Quality Act (CEQA) documentation (ENF: CEQA.pdf)
22. ☐ National Environmental Policy Act (NEPA) documentation (ENF: NEPA.pdf)

N/A: NEPA documentation requirements does no apply to this project

23. ☐ Regulatory Requirements / Permits (ENF: RegPermit.pdf)

N/A: No regulatory requirements of permits apply to this easement acquisition project

Application Checklist for Category One Grants

Project Name: Sierra Crest Working Forest Conservation Easement Phase III

Applicant: The Trust for Public Land

24. ☒ Demonstrations of Support (*ENF: DOS.pdf*)

25. ☐ Real Estate Appraisal (Acquisition projects) (*ENF: Appraisal.pdf*)

N/A: Real Estate Appraisal is scheduled for September 2010

**Sierra Crest Working Forest Conservation Easement Phase III
A Request for Funding to the
Sierra Nevada Conservancy
September 2010**

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Sierra Nevada Conservancy Prop 84 Grants Program
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**SIERRA NEVADA CONSERVANCY
PROPOSITION 84 GRANT APPLICATION FORM
CATEGORY ONE GRANTS**

Rev. January 2010

Complete all applicable items on both pages of form.

1. PROJECT NAME Sierra Crest Working Forest Conservation Easement Phase III	2. REFERENCE NUMBER									
3. APPLICANT <i>(Agency name, address, and zip code)</i> The Trust for Public Land 116 New Montgomery, Suite 300 San Francisco, CA 94105	4. APPLICANT TYPE: <input checked="" type="checkbox"/> Nonprofit Organization <input type="checkbox"/> Government <input type="checkbox"/> Tribal Organization									
5. APPLICANT'S AUTHORIZED REPRESENTATIVE <table style="width: 100%;"><thead><tr><th style="text-align: left;">Name and title – type or print</th><th style="text-align: left;">Phone</th><th style="text-align: left;">Email Address</th></tr></thead><tbody><tr><td><input checked="" type="checkbox"/> Mr. Sam Hodder, CA State Director</td><td>415-495-5660</td><td>sam.hodder@tpl.org</td></tr><tr><td><input type="checkbox"/> Ms.</td><td></td><td></td></tr></tbody></table>		Name and title – type or print	Phone	Email Address	<input checked="" type="checkbox"/> Mr. Sam Hodder, CA State Director	415-495-5660	sam.hodder@tpl.org	<input type="checkbox"/> Ms.		
Name and title – type or print	Phone	Email Address								
<input checked="" type="checkbox"/> Mr. Sam Hodder, CA State Director	415-495-5660	sam.hodder@tpl.org								
<input type="checkbox"/> Ms.										
6. PERSON WITH DAY-TO-DAY RESPONSIBILITY FOR ADMINISTRATION OF THE GRANT <i>(If different from Authorized Representative)</i> <table style="width: 100%;"><thead><tr><th style="text-align: left;">Name and title – type or print</th><th style="text-align: left;">Phone</th><th style="text-align: left;">Email Address</th></tr></thead><tbody><tr><td><input checked="" type="checkbox"/> Mr. Carl Somers</td><td>415-800-5287</td><td>carl.somers@tpl.org</td></tr><tr><td><input type="checkbox"/> Ms.</td><td></td><td></td></tr></tbody></table>		Name and title – type or print	Phone	Email Address	<input checked="" type="checkbox"/> Mr. Carl Somers	415-800-5287	carl.somers@tpl.org	<input type="checkbox"/> Ms.		
Name and title – type or print	Phone	Email Address								
<input checked="" type="checkbox"/> Mr. Carl Somers	415-800-5287	carl.somers@tpl.org								
<input type="checkbox"/> Ms.										
7. PERSON WITH FISCAL MANAGEMENT RESPONSIBILITY FOR GRANT CONTRACT/INVOICING <i>(If different from Authorized Representative or Day to Day Administrator)</i> <table style="width: 100%;"><thead><tr><th style="text-align: left;">Name and title – type or print</th><th style="text-align: left;">Phone</th><th style="text-align: left;">Email Address</th></tr></thead><tbody><tr><td><input type="checkbox"/> Mr.</td><td></td><td></td></tr><tr><td><input type="checkbox"/> Ms.</td><td></td><td></td></tr></tbody></table>		Name and title – type or print	Phone	Email Address	<input type="checkbox"/> Mr.			<input type="checkbox"/> Ms.		
Name and title – type or print	Phone	Email Address								
<input type="checkbox"/> Mr.										
<input type="checkbox"/> Ms.										
8. FUNDING INFORMATION <table style="width: 100%;"><tbody><tr><td>SNC Grant Request</td><td style="text-align: right;">\$ 540,000.00</td></tr><tr><td><i>(Must be \$5,000 - \$1,000,000)</i></td><td></td></tr><tr><td>Other Funds</td><td style="text-align: right;">\$ 2,960,000.00</td></tr><tr><td>Total Project Cost</td><td style="text-align: right;">\$ 3,500,000.00</td></tr></tbody></table>		SNC Grant Request	\$ 540,000.00	<i>(Must be \$5,000 - \$1,000,000)</i>		Other Funds	\$ 2,960,000.00	Total Project Cost	\$ 3,500,000.00	
SNC Grant Request	\$ 540,000.00									
<i>(Must be \$5,000 - \$1,000,000)</i>										
Other Funds	\$ 2,960,000.00									
Total Project Cost	\$ 3,500,000.00									
<input type="checkbox"/> Site Improvement (fill in all that apply) Project Area: _____ Total Acres: _____ SNC Portion (if different): _____ Total Miles (i.e. river or stream bank): _____ SNC Portion (if different): _____	9a. DELIVERABLES (Select <u>one</u> primary deliverable) <input type="checkbox"/> Restoration <input type="checkbox"/> Enhancement <input type="checkbox"/> Resource Protection <input type="checkbox"/> Infrastructure Development / Improvement									
<input checked="" type="checkbox"/> Acquisition (fill in all that apply) Project Area: _____ Total Acres: 2,720 SNC Portion (if different): _____ Total Miles (i.e. river or stream bank): _____ SNC Portion (if different): _____	(Select <u>one</u> primary deliverable) <input type="checkbox"/> Fee Title <input checked="" type="checkbox"/> Easement or Other Landowner Agreement									

10. PROJECT ADDRESS/LOCATION (Include zip code)

North of the FS07/Jackson Meadows Road and Webber Lake. Crossroads: Forest Service Road 07/SR 80
Approximate Zip Code: 96162

11. LATITUDE AND LONGITUDE

PARCEL 15: 39°30'42.72"N 120°23'28.87"W; PARCEL 17: 39°30'40.01"N 120°25'44.25"W;

PARCEL 21: 39°30'0.037"N 120°24'28"W; PARCEL 23: 39°30'00.17"N 120°22'34.55"W;

PARCEL 31: 39°28'10.74"N 120°26'48.05"W

12. COUNTY

Sierra County

13. CITY

Nearest City: Truckee (not within city limits)

14. NEAREST PUBLIC WATER AGENCY (OR AGENCIES) CONTACT INFORMATION:

Name: Truckee Meadows Water Authority, Sylvia Harrison, Counsel

Phone Number: 775 326 4360

Email address: sharrison@mcdonaldcarano.com

15. CEQA OR NEPA DOCUMENT TYPE (if applicable)

☒ Notice of Exemption

☐ Negative Declaration

☐ Environmental Impact Report

☐ Finding of No Significant Impact

☐ Environmental Impact Statement

☐ Joint CEQA/NEPA Document

16. STATE CLEARINGHOUSE NUMBER**17. APPRAISAL**

☐ Submittal with application

☒ Submittal by September 30, 2010

I certify that the information contained in the Application, including required attachments, is accurate.



Signed (Authorized Representative)



Date

Sam Hodder, CA State Director

Name and Title (print or type)

The following RESOLUTION was duly passed by the
Project Review Committee of The Trust for Public Land

In the matter of: A RESOLUTION APPROVING THE APPLICATION FOR GRANT FUNDS
FOR THE SIERRA NEVADA CONSERVANCY PROPOSITION 84 GRANTS PROGRAM
UNDER THE
SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL,
RIVER AND COASTAL PROTECTION BOND ACT OF 2006

WHEREAS, the Legislature and Governor of the State of California have provided Funds for the program shown above; and

WHEREAS, the Sierra Nevada Conservancy (SNC) has been delegated the responsibility for the administration of a portion of these funds through a local assistance grants program, establishing necessary procedures; and

WHEREAS, said procedures established by the Sierra Nevada Conservancy require a resolution certifying the approval of application(s) by the Applicant's governing board before submission of said application(s) to the SNC; and

WHEREAS, the Applicant, if selected, will enter into an agreement with the SNC to carry out the project; and

WHEREAS, The Trust for Public Land has identified the Sierra Crest Working Forest Conservation Easement Phase III project as valuable toward meeting its mission and goals.

BE IT HEREBY RESOLVED by the Project Review Committee, under delegation to it by the Board of Directors and the President of The Trust for Public Land, that this Committee:

1. Approves the submittal of an application for the Sierra Crest Working Forest Conservation Easement Phase III project; and
2. Certifies that Applicant understands the assurances and certification requirements in the application; and
3. Certifies that Applicant or title holder will have sufficient funds to operate and maintain the resource(s) consistent with the long-term benefits described in support of the application; or will secure the resources to do so; and
4. Certifies that Applicant will comply with all legal requirements as determined during the application process; and
5. Appoints the California State Director, or designee, as agent to conduct all negotiations, execute and submit all documents, including but not limited to: applications, agreements, payment requests, and so on, which may be necessary for the completion of the aforementioned project(s).

PASSED AND ADOPTED on the 7th day of September 2010. I, the undersigned and a duly elected and acting Assistant Secretary of The Trust for Public Land, a nonprofit corporation organized under the laws of the State of California and classified thereunder as a public benefit corporation, hereby certify that the foregoing resolution was duly adopted in accordance with the Bylaws of The Trust for Public Land by the Project Review Committee, under delegation to it by the Board of Directors and the President of The Trust for Public Land, at a special meeting of said Project Review Committee, and that said resolution has not been modified or rescinded.



Cecilia Blake, Assistant Secretary

BYLAWS
OF
THE TRUST FOR PUBLIC LAND,
a nonprofit corporation organized
under the laws of the State of California
and classified thereunder as a Public Benefit Corporation
(as amended February 1, 2010)

PART I. INTRODUCTORY PROVISIONS

Section 1.01. Definitions. In these By-Laws "Corporation" shall mean The Trust for Public Land; "Board" shall mean the Board of Directors of The Trust for Public Land; "Director" shall mean a member of the Board of Directors of The Trust for Public Land.

Section 1.02. Principal Office. The principal office of the Corporation shall be at 116 New Montgomery Street, San Francisco, California 94105 or such other place as may be designated by the Board.

Section 1.03. Fiscal Year. The fiscal year of the Corporation shall end on March 31 of each year.

Section 1.04. No Members. There shall be no members of the Corporation other than the Directors.

PART II. BOARD OF DIRECTORS

Section 2.01. Powers. The activities and affairs of the Corporation shall be conducted and all corporate power shall be exercised by, or under, the direction of the Board.

Section 2.02. Membership.

(a) The Board shall have at least nine, and no more than twenty-four Directors, with the exact number of authorized Directors being established by resolution.

(b) The President shall be an *ex officio* member of the Board of Directors, with full voting rights, during the period that such person serves as President.

(c) The term of office for a Director, other than the President, is three years, provided that when the Board appoints a Director, the Board may specify any length for a shorter term of office and provided further that each Director shall hold office until the expiration of the term for which elected and a successor has been elected and qualified or until the Board determines that said Director's office is vacant.

(d) To the extent possible, the terms of Directors shall be staggered such that at least

three Directors' terms expire at each Annual Meeting.

(e) A vacancy on the Board shall exist when the actual number of Directors is less than the number of Directors authorized by resolution pursuant to Section 2.02(a).

Section 2.03. Restriction on Interested Directors. Not more than 49% of the persons serving on the Board at any time may be interested persons. An interested person is (1) any person being compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and (2) any brother, sister, ancestor, descendant, spouse, sister-in-law, brother-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 2.04. Compensation. The Corporation may pay Directors for their expenses directly and reasonably incurred in connection with attendance at meetings or other necessary business of the Corporation. In addition, the Directors may by resolution authorize the compensation of Directors for their services as such provided that any amount of compensation so authorized shall be just and reasonable.

Section 2.05. Meetings.

(a) The only regular meeting of the Board shall be the Annual Meeting which shall be held each year at a time and place designated by the Chairman of the Board.

(b) Special meetings of the Board may be called by any officer of the Corporation or by any two Directors.

(c) Notice of the Annual Meeting and any special meetings of the Board shall be given to each Director at least four days before any such meeting if given by first-class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, electronic mail, or other electronic means, and shall state the date, place, and time of the meeting. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be valid as though taken at a meeting duly held after regular call and notice if a quorum is present, and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting the lack of adequate notice before the meeting or at its commencement.

(d) Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or other electronic transmission (as defined in California Corporations Code sections 20 and 21). Participation in a meeting through use of conference telephone or electronic video screen communication requires that Directors participating are able to hear one another. Participation in a meeting through use of electronic communication other than conference telephone or electronic video communication requires that both of the following apply: (a) each Director participating in the meeting can communicate with all of the other Directors concurrently; and (b) each Director is provided with the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

(e) A majority of Directors in office constitutes a quorum of the Board for the transaction of business. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in Section 2.12 (removing a Director); Section 2.05(f) (taking action without a meeting); Sections 2.06(a) and 2.07(a) (appointing Executive and Transaction Committees); in approving self-dealing transactions under Corporations Code Sections 5233 and 5234; Section 4.01 (approving indemnification); and Section 7.01 (amending Bylaws), and except as otherwise provided in these Bylaws or in the California Nonprofit Public Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

(f) Any action required or permitted to be taken by the Board may be taken without a meeting, if all of the Directors individually or collectively consent in writing to such action.

Section 2.06. Executive Committee.

(a) At each Annual Meeting, by a majority vote of the Directors then in office, the Board shall appoint from its members an Executive Committee consisting of the Chairman of the Board (who shall be the Chairman of the Executive Committee), the Vice Chairman of the Board, the Second Vice Chairman of the Board, the Chairman elect, the President, the chairs of the standing committees of the Board as they shall be from time to time, and any number of additional Directors. The Chairman of the Executive Committee may appoint a Vice Chairman of the Executive Committee who shall act in the Chairman's absence.

(b) The Executive Committee shall have all of the authority of the Board except with respect to:

- (1) The filling of vacancies on the Board or on any committee of the Board.
- (2) The fixing of compensation of Directors for serving on the Board or on any committee.
- (3) The amendment or repeal of these Bylaws or the adoption of new Bylaws.

(4) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.

(5) The appointment of committees of the Board or the members thereof.

(6) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.

(7) The approval of any self-dealing transaction except as provided in paragraph (3) of subdivision (d) of Section 5233 of the California Corporations Code.

(c) Members of the Executive Committee shall serve at the pleasure of the Board until the next Annual Meeting.

(d) The Board may appoint additional members to the Executive Committee at any time by a majority vote of the Directors then in office.

(e) The Executive Committee shall meet regularly once each month at a time and place designated by the Chairman of the Executive Committee, provided that the Executive Committee need not meet during any month in which the Board meets, nor during any month for which the President and the Chairman of the Executive Committee concur that there is insufficient business to warrant a meeting.

(f) Special meetings of the Executive Committee may be called by any officer of the Corporation or by any two members of the Executive Committee.

(g) Unless the Executive Committee has fixed the time and place of a meeting, members of the Executive Committee shall be given notice at least four days before any such meeting if given by first-class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, electronic mail, or other electronic means, and which shall state the date, place, and time of the meeting.

(h) Executive Committee members may participate in a meeting through use of conference telephone, electronic video screen communication, or other electronic transmission (as defined in California Corporations Code sections 20 and 21). Participation in a meeting through use of conference telephone or electronic video screen communication requires that members participating are able to hear one another. Participation in a meeting through use of electronic communication other than conference telephone or electronic video communication requires that both of the following apply: (a) each member participating in the meeting can communicate with all of the other members concurrently; and (b) each member is provided with the means of participating in all matters before the committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

(i) A majority of the Executive Committee members in office, or three members,

whichever is less, constitutes a quorum of the Executive Committee for the transaction of business. The act of a majority of the Executive Committee members present at a meeting at which a quorum is present shall be the act of the committee, except as otherwise provided in these Bylaws or in the California Nonprofit Public Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

(j) Any action required or permitted to be taken by the Executive Committee may be taken without a meeting, if all of the members of the Executive Committee individually or collectively consent in writing to such action.

Section 2.07. Transaction Committee.

(a) At each Annual Meeting, by a majority vote of the Directors then in office, the Board shall appoint from its members a Transaction Committee consisting of the two or more Directors. The Chairman of the Transaction Committee may appoint a Vice Chairman of the Transaction Committee who shall act in the Chairman's absence.

(b) The primary role of the Transaction Committee is to approve acquisition and disposition of property and other business matters as directed by the Board, but the Transaction Committee shall have all of the authority of the Board except with respect to:

- (1) The filling of vacancies on the Board or on any committee of the Board.
- (2) The fixing of compensation of Directors for serving on the Board or on any committee.
- (3) The amendment or repeal of these Bylaws or the adoption of new Bylaws.
- (4) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.
- (5) The appointment of committees of the Board or the members thereof.
- (6) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- (7) The approval of any self-dealing transaction except as provided in paragraph (3) of subdivision (d) of Section 5233 of the California Corporations Code.

(c) Members of the Transaction Committee shall serve at the pleasure of the Board until the next Annual Meeting.

(d) By a majority vote of directors then in office, the Board may appoint additional members to the Transaction Committee at any time.

(e) The Transaction Committee shall meet regularly once each month at a time and place designated by the Chairman of the Transaction Committee, provided that the Transaction Committee need not meet during any month in which the Board meets, nor during any month for which the President and the Chairman of the Transaction Committee concur that there is insufficient business to warrant a meeting.

(f) Special meetings of the Transaction Committee may be called by any officer of the Corporation or by any two members of the Transaction Committee.

(g) Unless the Transaction Committee has fixed the time and place of a meeting, members of the Transaction Committee shall be given notice at least four days before any such meeting if given by first-class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, electronic mail, or other electronic means, and which shall state the date, place, and time of the meeting.

(h) Transaction Committee members may participate in a meeting through use of conference telephone, electronic video screen communication, or other electronic transmission (as defined in California Corporations Code sections 20 and 21). Participation in a meeting through use of conference telephone or electronic video screen communication requires that members participating are able to hear one another. Participation in a meeting through use of electronic communication other than conference telephone or electronic video communication requires that both of the following apply: (a) each member participating in the meeting can communicate with all of the other members concurrently; and (b) each member is provided with the means of participating in all matters before the committee, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

(i) A majority of the Transaction Committee members in office, or three members, whichever is less, constitutes a quorum of the Transaction Committee for the transaction of business. The act of a majority of the Transaction Committee members present at a meeting at which a quorum is present shall be the act of the committee, except as otherwise provided in these Bylaws or in the California Nonprofit Public Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting

(j) Any action required or permitted to be taken by the Transaction Committee may be taken without a meeting, if all of the members of the Transaction Committee individually or collectively consent in writing to such action.

Section 2.08. Finance Committee.

(a) The Board, or the Chairman of the Board (subject to ratification by the Board at its next meeting), shall appoint a Finance Committee consisting of two or more Directors and that may include one or more members who are not Directors, provided that the number of non-Directors may not exceed one-third of the total number of committee members

(b) The Finance Committee shall oversee the investment policy of the Corporation and review and monitor the annual budget of the Corporation and advise the Board and Executive Committee on such other financial matters as it deems appropriate. The Finance Committee is an advisory committee, and shall not have the authority of the Board.

(c) Members of the Finance Committee shall serve at the pleasure of the Board until the next Annual Meeting.

(d) The Board, or the Chairman of the Board (subject to ratification by the Board at its next meeting), may appoint additional members to the Finance Committee at any time.

(e) The Chairman of the Board shall appoint the Chairman of the Finance Committee and the Finance Committee shall meet upon the call of the Chairman of the Finance Committee.

Section 2.09. Audit Committee.

(a) The Board, or the Chairman of the Board (subject to ratification by the Board at its next meeting), shall appoint an Audit Committee consisting of two or more non-interested Directors (other than the President, who may not sit on the committee) and that may include one or more members who are not Directors, provided that the number of non-Directors may not exceed one-third of the total number of committee members. Members of the Finance Committee may serve on the Audit Committee, but cannot comprise fifty percent or more of the Audit Committee. The Chair of the Audit Committee may not be member of the Finance Committee.

(b) The Audit Committee shall recommend the selection of the auditor for the Corporation's annual independent audit and oversee the Corporation's internal accounting procedures. The Audit Committee is an advisory committee, and shall not have the authority of the Board.

(c) Members of the Audit Committee shall serve at the pleasure of the Board until the next Annual Meeting.

(d) The Board, or the Chairman of the Board (subject to ratification by the Board at its next meeting), may appoint additional members to the Audit Committee at any time.

(e) The Chairman of the Board shall appoint the Chairman of the Audit Committee and the Audit Committee shall meet upon the call of the Chairman of the Audit Committee.

Section 2.10. Other Committees. In addition to the Executive Committee, Transaction Committee, Finance Committee and Audit Committee, the Board may by resolution create such other committees, each consisting of two or more Directors and which may include one or more members who are not Directors, provided that the number of non-Directors on any committee may not exceed one-third of the total number of committee members on such committee. Such committees shall be advisory committees, and shall not have the authority of the Board. The members of such other subcommittees shall be appointed by the Board or by the Chairman of the Board, subject to ratification by the Board at its next meeting, and shall serve at the pleasure of the Board, as the Board deems appropriate.

Section 2.11. Standard of Care.

(a) As specified in Section 5231 of the California Corporations Code, a Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(b) In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(1) One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented;

(2) Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence;

(3) A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence, so long as, in any such case, the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 2.12. Removal of Directors. The Board may remove any Director from the Board with or without cause by a two-thirds vote of the Full Board. The Board may remove any member of any committee from such committee with or without cause by a majority of a quorum.

Section 2.13. Resignations. Except as provided in this paragraph, any Director may resign. Such resignation shall be effective on giving written notice to the Chairman of the Board, the President, the Secretary, or the Board, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Director is effective at a future time, the Board may elect a successor to take office when the resignation becomes effective. No Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

Section 2.14. Approval of Minutes. In order to provide for a current record of corporate action, the Board may approve minutes of Executive Committee meetings and the Executive Committee may approve minutes of Board meetings.

PART III. OFFICERS

Section 3.01. Officers listed.

(a) The Corporation shall have the following officers: a Chairman of the Board; a Vice Chairman of the Board; a Chairman of the Executive Committee; a President; a Chief Financial Officer (who shall also be the Treasurer); and a Secretary.

(b) The Corporation may have the following additional officers: a Second Vice Chairman of the Board; a Chief Operating Officer (who may also have the title of Executive Vice President); such Senior Vice Presidents and Vice Presidents as may be appointed by the Executive Committee; such Assistant Treasurers as may be appointed by the Chief Financial Officer; and such Assistant Secretaries as may be appointed by the Secretary.

Section 3.02. Appointment. The Chairman of the Board, the Vice Chairman of the Board, the Second Vice Chairman of the Board, the Chairman of the Executive Committee and the President shall be appointed by the Board. All other officers except Assistant Treasurers and Assistant Secretaries shall be appointed by the Executive Committee. Any Assistant Treasurers shall be appointed by the Chief Financial Officer who shall notify the Secretary who shall insert a notice of any such appointment in the minutes of the Corporation. Assistant Secretaries shall be appointed by the Secretary who shall insert a notice of any such appointment in the minutes of the Corporation.

Section 3.03. Relation to Board and Executive Committee. The Chairman of the Board, the Vice Chairman of the Board, the Second Vice Chairman of the Board, the Chairman of the Executive Committee and the President shall be Directors. The Chief Financial Officer and the Secretary are not required to be Directors but shall attend the meetings of the Board and the Executive Committee.

Section 3.04. Term. All officers shall serve at the pleasure of their appointing power until the next annual meeting and their successor is appointed. The preceding is subject to the rights of such officers, if any, under contracts of employment. Persons may succeed themselves in office, provided that the term of office as Chairman of the Board held continuously by one person shall be limited to six (6) years, unless the term for a Chairman is extended by resolution of the Board of Directors, in which case the total term for such Chairman shall be limited to eight (8) years.

Section 3.05. Multiple Offices. Any number of offices may be held by the same person except that neither the Secretary nor the Chief Financial Officer may serve concurrently as the President or Chairman of the Board.

Section 3.06. Duties.

(a) The Chairman of the Board shall preside over meetings of the Board and shall perform such other duties as may be established by the Board or the Executive Committee, and as may be set forth in these Bylaws.

(b) The Vice Chairman of the Board shall preside over meetings of the Board in the absence of the Chairman of the Board and shall perform such other duties as may be established by the Board or the Executive Committee or delegated by the Chairman of the Board. The holder of the office of Vice Chairman of the Board shall automatically succeed to the office of Chairman of the Board if the preceding Chairman of the Board is not able to complete a term of office, in which case the Vice Chairman shall serve as Chairman of the Board for the remainder of the term or until the Board has elected another director to serve as Chairman of the Board.

(c) The Second Vice Chairman of the Board shall preside over meetings of the Board in the absence of the Chairman of the Board and the Vice Chairman of the Board and shall perform such other duties as may be established by the Board or the Executive Committee.

(d) The President shall be the general manager and chief executive officer of the Corporation and shall perform such other duties as may be established by the Board or the Executive Committee.

(e) The Chief Financial Officer shall cause to be maintained adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The Chief Financial Officer shall deposit all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board or Executive Committee and render to the President, Board, Executive Committee, and Finance Committee whenever they request it, an account of the Corporation's transactions and of the financial condition of the Corporation. In addition, the Chief Financial Officer shall perform such other duties as may be established by the President or the Board or the Executive Committee.

(f) The Chief Operating Officer (who may also have the title of Executive Vice President) and the Vice Presidents of the Corporation shall perform such duties as may be established by the President or the Board or the Executive Committee. In the absence of the President, the Chief Operating Officer shall have all of the authority of the President provided that a Chief Operating Officer is not required to be a Director and the Chief Operating Officer shall not be deemed to be a Director in the absence of the President.

(g) The Secretary shall cause to be maintained an adequate and correct record of the proceedings of the Board, of the Executive Committee and of the Transaction Committee and shall keep the seal of the Corporation and shall attest to various corporate documents as may be required. In addition, the Secretary shall perform such other duties as may be established by the President or the Board or the Executive Committee.

(h) Assistant Secretaries of the Corporation shall perform the duties of the Secretary in the absence of the Secretary.

Section 3.07. Resignation. Any officer may resign at any time upon written notice to the Corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

PART IV. INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS.

Section 4.01. Indemnification. The Corporation shall indemnify Directors, officers, employees and other agents of the Corporation to the extent permitted by law, and specifically Section 5238 of the California Corporations Code.

Section 4.02. Insurance. The Corporation may purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability.

PART V. ACQUISITION AND DISPOSITION OF REAL PROPERTY.

Section 5.01. Acquisition and Disposition of Real Property. The acquisition and disposition of any real property or interest in real property by the Corporation both for its operational requirements and pursuant to its programmatic and charitable purposes shall require the approval of the Board, the Executive Committee or the Transaction Committee, provided that this authority may be delegated by resolution of the Executive Committee or the Transaction Committee to the President and, if authorized by resolution of the Executive Committee or the Transaction Committee, the President may re-delegate this authority to employees designated by the President.

Section 5.02. Options to purchase real property. An agreement giving the Corporation an option to purchase real property in pursuance of its charitable purposes may be signed by any employee of the Corporation designated by the President. The phrase "option to purchase" as used herein means the right to purchase certain real property on specified terms which creates no obligation of the Corporation to purchase unless notice is given to the seller that the Corporation elects to exercise its right to purchase. Authorization for consideration paid for any such option shall be in conformance with the provisions of these Bylaws for the commitment of funds.

PART VI. FUNDS AND SECURITIES.

Section 6.01. Commitment of funds. The following persons and officers may authorize the expenditure of the Corporation's funds as specified:

(a) The President, the Chief Operating Officer and the Chief Financial Officer may authorize expenditures not to exceed \$100,000 per item.

(b) Vice Presidents of the Corporation may authorize expenditures not to exceed \$25,000 per item.

(c) Employees designated by either the President, the Chief Operating Officer or the Chief Financial Officer may authorize expenditures not to exceed an amount specified or \$25,000 per item, whichever is less.

(d) If delegated by the President, Division Directors or other employees approved by the President may authorize project expenditures up to \$100,000 for any project in a fiscal year.

(e) The Project Review Committee (as defined in the Standing Resolution Delegating Authority to the President and Project Review Committee adopted on March 28, 2001 by the Executive Committee of the Board of Directors, as such resolution may be amended from time to time) may authorize project expenditures up to \$1,000,000 for any project in a fiscal year.

Any expenditure in excess of \$100,000 shall be authorized by the Board, the Executive Committee or the Transaction Committee, or the Project Review Committee pursuant to subparagraph (e) above.

Section 6.02. Execution of checks, etc. Unless otherwise provided by law, every check, draft, money order, or other instrument disbursing funds or securities from any account of The Trust for Public Land shall be valid only when executed pursuant to the signature requirements of a valid account established by resolution of the Board, Executive Committee, or Transaction Committee.

Section 6.03. Voting securities. The President, the Chief Financial Officer, or any Vice President, together with the Secretary, or any Assistant Secretary, are authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all voting securities, if any, of any other corporation or corporations held in the name of the Corporation. The authority so granted may be exercised in person by the officers, or by any person authorized so to do by proxy or power of attorney duly executed by said officers.

Section 6.04. Powers of Attorney. When it is necessary or convenient that corporate documents be executed outside of San Francisco, the President or Chief Financial Officer, or any Vice President, together with the Secretary or any Assistant Secretary, shall be authorized to execute such powers of attorney as they deem appropriate authorizing persons to execute documents on behalf of the Corporation provided that the transactions to which said documents pertain shall be approved in accordance with these Bylaws.

Section 6.05. Compensation Review. The Board (or a committee having the full authority of the Board) shall review and approve the compensation packages (including all benefits) of the President and the Chief Financial Officer, only after determining that the compensation is just and reasonable. Such review and approval shall occur when either officer is hired, when the term of employment of either officer is renewed or extended, and when the compensation of either

officer is modified, unless the modification applies to substantially all of the employees of this corporation.

PART VII. AMENDMENT

Section 7.01. Amendment. These Bylaws may be amended only by the unanimous written consent of the Board or by a vote of a majority of the Directors in office at a regular or special meeting of the Board.

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PROJECT SUMMARY

County: Sierra

Applicant: The Trust for Public Land

Project Title: Sierra Crest Working Forest Conservation Easement Phase III

PROJECT GOAL

This project will permanently protect 2,720 acres located in the Middle Yuba, Middle Fork Feather, and Little Truckee River headwaters in Sierra County. The project represents the third and final phase of a multi-phased land conservation initiative in the Tahoe National Forest that, when complete, will preserve forest cover, recreational access, and habitat linkages on approximately 7,085 acres of checkerboard lands – lands that would otherwise be threatened with residential land-use conversion.

The project addresses the SNC program goal of aiding in the preservation of working landscapes. The project area covers 2,720 acres of alpine forestlands owned by Sierra Pacific Industries. The placement of conservation easements will keep these lands as productive working forests, thus contributing to the economic sustainability of northern Sierra communities, including employment in the Quincy Mills and Loyalton Biomass Plant. The consolidation of land management that will result from this project will facilitate improved management of adjoining Sierra forestlands for wildfire and invasive species prevention. Other benefits include buffering a heavily visited roadless area and Proposed Wilderness Area, securing wildlife migration critical to climate change adaptation, and permanently protecting access for fishing, hiking, and other forms of recreation.

The protection of Sierra Crest Phase III parcels contributes to the goals of Proposition 84. The parcels straddle the Pacific Crest of the Sierra Nevada on and around the historic Henness Pass and include lands in the Middle Fork Feather, Middle Yuba, and Little Truckee River headwaters. The conservation easements will protect the wildlife habitat, recreational access, and water quality of these important watershed areas.

PROJECT SCOPE

This project represents the third and final phase of the Sierra Crest Conservation Easement Project that has already placed conservation easements with a total value of \$8.25 million over 4,365 acres. This \$540,000 grant from the Sierra Nevada Conservancy will be applied directly to the acquisition cost of this third phase of conservation easements (Sierra Crest III). Using the Performance Measure C11 (Acres of Land Conserved), easements will be placed over 2,720 acres of Sierra Pacific Industries alpine forestlands. Outcomes of this project include the preservation of these lands as productive working forests, the promotion of habitat connectivity and ecological integrity within the northern Sierra Nevada region, and improved management of ecological resources on private and public lands.

The estimated value of the easements to be purchased in this third and final phase of

the Sierra Crest Conservation Easement Project is \$3.5 million. Matching funds toward the easement acquisition have been requested from the Northern Sierra Partnership (NSP) and the Forest Conservation Program of the California Wildlife Conservation Board (WCB). The Truckee Donner Land Trust, the primary partner in this project, will hold all of the conservation easements for permanent stewardship and monitoring. Sierra Pacific Industries will continue to own the land in fee and manage the properties sustainably as productive timberland, subject to the terms of the easements held by the Truckee Donner Land Trust.

LETTERS OF SUPPORT

This application includes letters of support from the Truckee Donner Land Trust, the U.S. Forest Service Tahoe National Forest, the Northern Sierra Partnership, the Sierra County Department of Planning and Building Inspection, the Truckee River Watershed Council, and the Truckee Trails Foundation.

SNC PROJECT DELIVERABLES AND SCHEDULE

DETAILED PROJECT DELIVERABLES	TIMELINE
Site Appraisals	To be completed Sept. 2010
Option Agreement with Willing Seller	To be completed Oct. 2010
Matching Grant requests	Completed July 2010
Project Deliverable: TPL to place conservation easements over 2,720 acres of SPI alpine forest lands to complete the final phase of the Sierra Crest Conservation Easement Project	July 2011 pending timely availability of funds
Submission of Final Report	September 2011, or approximately 2 months after close of escrow

SNC PROJECT COSTS

PROJECT BUDGET CATEGORIES	TOTAL SNC FUNDING
Conservation Easement Acquisition	\$540,000.00
SNC GRANT TOTAL	\$540,000.00

Evaluation Criteria Narrative

Category One: Sierra Crest Working Forest Conservation Easement Phase III

A. Project Quality and Readiness

1. General Description

The Trust for Public Land (TPL), in partnership with the Truckee Donner Land Trust (TDLT), Sierra Pacific Industries (SPI), and various federal and state public agencies have been working in partnership for eight years on the Sierra Crest Conservation Easement Project – a major land conservation initiative in the Tahoe National Forest. This Conservation Easement Project is a multiple phased acquisition that meets the goals of the larger Sierra Checkerboard initiative: to rationalize land management practices and reduce future land use conflicts in the Sierra Checkerboard.

The Sierra Crest III project will complete the third and final phase of this Sierra Checkerboard Initiative. With the acquisition of conservation easements over the final five SPI parcels, a total of 7,085 acres of checkerboard lands located in the headwaters of the Middle Yuba, Middle Fork Feather, and Little Truckee River watersheds will be protected for recreational access and habitat linkages. The Sierra Crest III parcels are an important focus of the Checkerboard Initiative because of their location straddling the Pacific Crest of the Sierra Nevada, Henness Pass, Lake of the Woods, and the southern flank of Webber Peak. This project also protects the Sierra forests as working forests, and allows SPI to continue contributing to the economic sustainability of northern Sierra communities.

The first two phases placed conservation easements with a total value of \$8.25 million over 4,365 acres. The third phase will place conservation easements over 2,720 acres of SPI alpine forest lands (Sierra Crest III). The SPI parcels are located in the vicinity of Webber Lake, mostly north of the FS07/Jackson Meadows Road, in the heart of the northern Sierra Nevada. The estimated value of the easements to be purchased in this phase is approximately \$3.5 million. TPL requests \$540,000 from the Sierra Nevada Conservancy to match other state and private funds to purchase these conservation easements. Once acquired, all of the conservation easements will be held for permanent stewardship and monitoring by the Truckee Donner Land Trust (TDLT). SPI will continue to own the land in fee and manage the properties sustainably as productive timberland, subject to the terms of the easements held by TPL and TDLT.

The Sierra Crest III sections include lands in the Middle Fork Feather, Middle Yuba and Little Truckee River headwaters. The most northern parcel in this phase, Section 17, contains a portion of the historic Henness Pass, one of the most important routes over the Sierra Nevada dating from the Gold Rush era. Section 17 is traversed by FS07/Jackson Meadows Road, a well maintained, paved, two-season road providing access from Highway 89 west to Jackson Meadows Reservoir, a major recreation destination offering multiple camping, boating and fishing opportunities. The southern flank of Webber Peak (8,092 feet) and portions of Coppins Meadow, both of which are within the immediate vicinity and viewshed of Webber Lake and Lacey Meadows, will also be protected by the Sierra Crest III easements. The project area also includes a portion of Lake of the Woods, which is adjacent to a popular U.S. Forest Service campground that is regularly used by the Boy Scouts of America. The easements will also safeguard the backcountry experience of Lasier Meadows equestrian camp, serving horse-oriented users of the Pacific Crest Trail.

The current threat posed to the SPI lands is the increasing attractiveness of these properties to potential rural home-site buyers. These properties are well connected by a network of U.S. Forest Service roads, and offer stunning and unique vistas of the Sierra Nevadas, as well as year-round recreational resources. Due to changes in the timber market, SPI has been struggling economically to continue to manage for forest resources. It is becoming more appealing to sell for subdivision and

private development. Unless SPI parcels can be protected under conservation easements, the rural residential value of the property will become significantly higher than its timber value.

The SPI parcels have never been clear-cut, and are heavily forested with a total of 32.4 million board feet or 11,935 board feet per acre. The primary species includes whitewoods, as well as other conifers such as lodgepole pine, whitebark pine and spruce, and Ponderosa pine/sugar pine. The proposed acquisition of the conservation easements on the Sierra Crest III properties will keep these lands as productive working forests, and protect overall forest health above and beyond the California Forest Practices Act. This project will thereby protect the Sierra forests, while allowing SPI to continue its work, contributing to the economic sustainability of northern Sierra communities. This includes supporting employment in the Quincy Mills, and in the Loyalton Biomass Plant, which receives timber and generates electricity from carbon-neutral wood by-products of the Sierra Crest forests.

These easements protect watersheds important to California's water supply, including the Middle Yuba, Truckee, and Feather Rivers. The upland unforested areas are covered with scrub manzanita; natural grasses are found in the meadows and valley areas, and rich riparian vegetation flourishes along the creeks. These easements promote habitat connectivity by securing wildlife migration corridors critical to climate change adaptation. Prohibiting private development on lands that buffer a proposed wilderness area will permanently protect access for fishing, hiking and other forms of low-impact recreation, and reduces the incidence of human caused wildfires. Acquiring easements over these parcels within the checkerboard will also facilitate better management of adjoining Sierra forestlands for wildfire, invasive species prevention, and endangered species protection.

The completion of the Sierra Crest Conservation Easement Project through this final phase (Sierra Crest III) will achieve tangible impacts consistent with the terms of Proposition 84 and the SNC's program goals. This project directly addresses the following SNC Grant Program Areas: Provides increased opportunities for tourism and recreation; Protects, conserves, and restores the Tahoe National Forest's physical, cultural, archaeological, historical, and living resources; Aids in the preservation of working landscapes; Reduces the risk of natural disasters; Protects and improves water and air quality; and Assists the regional economy and provides direct benefits for the Sierra Nevada Region.

2. Workplan and Schedule

The acquisition of conservation easements over 2,720 acres of SPI alpine forestlands should be completed by mid-summer 2011, or whenever funds from the SNC and other funding partners are available. The appraisal for this easement to be acquired in Sierra Crest III will be completed in September 2010 and forwarded to SNC under separate cover. As of the submission of this grant request, TPL has received a verbal indication of value from the appraiser that supports TPL and SPI's expectations. TPL and SPI are currently in the process of finalizing the purchase agreement based on this late breaking information. As this is the third and final phase of the project, and the easement will be virtually identical to that used in previous phases, TPL does not expect any contractual issues or difficulties. TPL anticipates the third phase to close smoothly pending the timely availability of funds.

3. Budget

The estimated value of the easements to be purchased in this third and final phase of the project is approximately \$3.5 million. TPL requests funds from the Sierra Nevada Conservancy (SNC) to specifically support the purchase price of the easements. The deliverable to be funded by the SNC would be a completed transaction with title to the easements vested in the Truckee Donner

Sierra Nevada Conservancy Prop 84 Grants Program Evaluation Criteria

Land Trust (TDLT). TPL, in partnership with TDLT, is seeking \$540,000 from the Northern Sierra Partnership (NSP) and \$2,420,000 from the Forest Conservation Program of the California Wildlife Conservation Board (WCB) to leverage the funds requested from the SNC. Matching funds are requested to support the acquisition itself. TPL anticipates these amounts to be available by spring or early summer 2011. The SNC grant funds being sought would serve as a match against these state funds. Thus, a grant from the SNC will be matched at a ratio of 1:5.5 for this project. Neither the WCB or the NSP have rules against matching its state funds against other state funds, nor do either place a cap on the amount of state funding that can be used.

For all phases of this Sierra Crest Conservation Easement Project, TPL has fundraised approximately \$285,000 from private donors to cover direct out of pocket expenses related to this and other transactions in the Sierra Crest region, including, for instance, appraisals and easement endowment. Direct costs that will be funded by TPL include: (a) Cost of the timber appraisal review at \$2,000, and the timber appraisal at \$19,900; (b) Cost of the real estate appraisal at \$18,550; (c) Estimated closing costs at \$6,500; and (d) Easement endowment of approximately \$75,000 provided to TDLT by TPL at close of escrow. This endowment will fund the long term monitoring and stewardship of the easements over the Sierra Crest III parcels.

The close of this project depends on funding from the NSP and WCB and SNC. TPL is confident in the support of these two entities. Staff from both of these organizations have visited the proposed property, and have already demonstrated support. Both the NSP and the WCB have provided funding for earlier stages of the Sierra Crest Conservation Easement Project. The NSP has invested \$1.83 million to date in the first two phases, and while Sierra Crest III funding will not become available until 2011 allocations are made by the NSP, the project has already been formally endorsed. The WCB has already invested \$6.42 million in the Sierra Crest Conservation Easement Project. Support of Sierra Crest III will leverage WCB's past conservation efforts of nearly \$1 million in restoration dollars recently awarded to the Little Truckee River area and Middle Yuba River.

This project is a cost-effective investment for the SNC because SNC funds will be leveraged by nearly 1:5.5 to complete the third and final phase. Additionally, this project completes a three-tiered conservation easement project that has already placed 4,442 acres of Sierra Checkerboard under conservation easements. This conservation easement project in the Tahoe National Forest has been in development for over eight years, and has proven successful in securing the partnerships and investments of a range of public funds to protect lands that would otherwise be threatened with residential land use conversion. The proposed lands are also proximate to the 3,000 acre Webber Lake property. Significant work is being done to preserve Webber Lake, making the purchase of conservation easements over surrounding forestlands an important investment for all fiscal supporters. Finally, this project compliments collaborative efforts made over the last twenty years to protect the Little Truckee River/Middle Yuba River headwaters area where the Sierra Checkerboard lands are located. The forested wildlife habitat and the headwaters of the Little Truckee River/Middle Yuba River are popular recreation lands for hiking, biking, fishing, camping, boating, skiing and snowmobiling. These headwaters also support a critical wildlife habitat, water resources, and scenic working landscapes. SNC contribution will compliment over two decades of conservation efforts by public and private partners that have resulted in over 35,959 acres of permanently protected lands and \$67.3 million dollars in conservation investments locally. In addition to previous SNC support, federal, state and private investments have come from a variety of sources including: the Wildlife Conservation Board, the Land and Water Conservation Fund, the Desert Terminal Lakes Program, the River Parkways Program, the Water Quality Resources Control Board, the California Department of Parks and Recreation, Environmental Enhancement and Mitigation Program, Preserving Wild California, the Northern Sierra Partnership, and private

landowner donations. TDLT serves as a primary fiscal partner to this project, with the role of taking title to the easements and stewarding them into perpetuity.

4. Restrictions, technical documents, and agreements

a. Agreements and commitments from project partners: The Truckee Donner Land Trust, in partnership with TPL, has applied for \$2.42 million from the California Forest Conservation Program of the Wildlife Conservation Board (WCB) in July 2010. While this grant is pending, TPL and TDLT are confident of the ongoing support of the WCB in the larger Sierra Checkerboard Initiative for land, resource, forest, and wildlife conservation. TPL will also soon submit an application for \$540,000 in funding from the NSP towards the total cost of the easement to be acquired in Sierra Crest III. While these funds will not be formally gifted until the NSP distributes its 2011 allocations, TPL has received a letter of support from the NSP. Please see the Appendix for these Letters of Support.

b. Preliminary title report and terms of sale, option to purchase, or easement from a willing seller: Included in this application is the official letter from the willing seller, Timothy Feller, District Manager of the Sierra Pacific Industries Tahoe District, signed August 30, 2010. The letter states that SPI has already closed escrow with TPL and TDLT on easements covering approximately 1,182 acres, and are currently in escrow to close the sale of easements over an additional 3,183 acres in the same area of the Tahoe National Forest. SPI expects to enter into an option agreement this fall for the remaining 2,720 acres currently under discussion. The option agreement will be signed upon completion of the appraisal in September 2010. This willing selling letter and preliminary title report can be found in the appendix of this application.

c. Draft conservation easement language: Please see the appendix for the draft conservation easement language for the Sierra Crest III properties.

d. Property restrictions and/or encumbrances: There are no outstanding encumbrances or leases relevant to this project.

e. Any land listed under the Williamson Act is required to be identified: None of the property is listed under the Williamson Act program.

f. Necessary permits: No permits are required for this project.

B. Proposition 84 Land and Water Benefits

1. Contribution to the Proposition 84 Goals

This project will permanently protect 2,720 acres located in the headwaters of the Middle Yuba, Middle Fork Feather, and Little Truckee River watersheds in Sierra county – all important watersheds to California's water supply. The project area also includes a portion of Lake of the Woods and several unnamed creeks rich with riparian vegetation. Sierra Crest III lands offer exceptional opportunities for hiking and trout fishing in the summer, snowmobiling, snowshoeing and cross-country skiing in the winter, and access to a popular Tahoe National Forest campground that is regularly used by the Boy Scouts of America and others. Visitors also come through this area to access both the Grouse Lakes and Castle Peak wilderness areas. The conservation easements will protect the wildlife habitat, recreational access, and water quality of these important watershed areas. In addition, the consolidation of land management achieved through this project will protect forestland and scenic resources.

The Sierra Crest III parcels are notable for their forest habitat serving large mammals and other wildlife including the mountain lion, bobcat, lynx, mule deer, Pacific fisher, great gray owl, California spotted owl, bald eagle, and northern goshawk. The Sierra Crest III sections also contain and provide views of classic Sierra Nevada scenery, including breathtaking vistas of the Sierra Valley, Webber Peak (8,092 feet) and portions of Coppins Meadow.

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This project addresses an urgency to protect these desirable lands from private development. Conversion of these lands to residential uses would permanently disrupt access to the area's lakes and trails, and increase the likelihood of a permit being issued to snowplow all or a portion of FS07/Jackson Meadows Road during the winter months. A year round road would potentially have significant deleterious impacts on water quality in the Little Truckee and Middle Yuba Rivers and on the ability of wildlife to move freely during the winter and spring months. A conservation easement on the Sierra Crest III sections would protect the natural resource values of these headwater areas and their associated creeks and lakes by prohibiting use of biocides, herbicides, defoliants, and chemical fertilizers, as well as prohibiting the storage or deposit of waste materials or transportation of hazardous materials over, on, or around the property. In addition, a conservation easement on the Sierra Crest III sections would protect the natural resource values of the land by prohibiting construction, mining, clear-cuts, or excavation, and any new industrial, commercial or residential activities.

A conservation easement over the Sierra Crest III lands will contribute to the long-term protection of water and aquatic biological quality of the region by:

- Reducing domestic point sources of pollution (septic systems, herbicides, pesticides and other household chemicals, etc.) into Jackson Meadows Reservoir, Webber Lake and other Middle Yuba and Little Truckee River headwaters;
- Reducing areas of impermeable cover and associated run-off into Jackson Meadows Reservoir, Webber Lake and other Middle Yuba and Little Truckee River headwaters;
- Reducing the density and scale of future road building activities and associated run-off into Jackson Meadows Reservoir, Webber Lake and other Middle Yuba and Little Truckee River headwaters;
- Reducing erosion caused by excavation and construction of single family residences and associated outbuildings and improvements;
- Prohibiting the use of herbicides, biocides, defoliants and chemical fertilizers; and
- Prohibiting alterations of topography and most even-aged management practices (with limited exceptions for salvage logging operations) on the subject lands.

Protection of this site compliments and supports restoration activities taking place along the Little Truckee River. For example, the U.S. Forest Service and the Truckee River Watershed Council are working together to improve wet meadow function and native fishery habitat within the watershed. Because the SPI parcels are located within the Little Truckee River watershed area, the water quality protection benefits of this project support these larger restoration initiatives.

In order to measure and report the outcomes and effectiveness of this project, and to determine how it contributes to SNC achieving its programmatic goals, the following primary performance measure has been chosen: **C11. Acres of Land Conserved**. The method of conservation is through acquisition of conservation easements over 2,720 acres of land for the purpose of conserving a working forest landscape. Other relevant performance measures include (please see appendix, Performance Measures, for details): A1. Number of People Reached; A2. Dollar Value of Resources Leveraged for the Sierra Nevada; A3. Number and Type of Jobs Created; A4. Number of new, improved or preserved economic activities; and C9. Tons of Carbon Sequestered

2. Project sustainability and impacts to/from the surrounding watershed and lands

The Sierra Crest III parcels complete a long-term conservation project that will preserve the ecological integrity of over 7,085 acres of land in the Tahoe National Forest, and will also protect the upper watersheds of already federally protected land and water downstream. The many creeks of

the Middle Yuba, Little Truckee, and Middle Fork Feather River headwaters that are integral to the proposed properties provide important wildlife corridors and habitat for riparian species.

At the center of the Sierra Crest Working Forest Conservation Easement Corridor is the Webber Lake/Lacey Meadows complex, currently the subject of a separate fee title acquisition effort by the TPL and TDLT. Located on the eastern lee of the Pacific Crest of the Sierra Nevada range, at the juncture of three major river systems, Webber Lake and Lacey Meadows function together as the ecological centerpiece of the Northern Sierra Region and provide confirmed habitat to a wide array of rare and even endemic species, including the Sierra marten, white-stemmed pondweed, Sierra Nevada red fox, Sierra willow flycatcher, Pacific fisher, bald eagles, Webber's ivesia, Donner Pass buckwheat and California wolverine (species data from the California Natural Diversity Database). The Sierra Crest III properties, indeed all 7,085 acres of the entire Sierra Crest Working Forest Conservation Easement program, surround and abut this critical high alpine sanctuary for wildlife. Because forest cover on Webber Lake and Lacey Meadows is sparse, many of the raptor species and some of the forest-based mammals (such as martens) that have been confirmed on these properties are likely to find their homes on adjacent properties, including the Sierra Crest properties. There are numerous confirmed occurrences of Sierra martens on Section 31, for instance. Protecting contiguous forest cover on the lands surrounding Webber Lake and Lacey Meadows, and over the corridors extending to the east and west of this area, is critical to insuring the long-term availability and utility of the lake and meadows as sanctuary for these and many other wildlife species.

The threat of subdivision of SPI Sierra Crest properties would endanger the rich habitat and forestlands of this and surrounding areas. Conversion of lands into new home-sites would result in many potential land use conflicts and negative impacts on the immediate and surrounding environment, including: increased wild fire risk and greater difficulties in implementing fire management plans on the surrounding National Forest lands; degraded water quality from increased use of herbicides and pesticides in residential landscaping; and fragmentation of habitat and wildlife corridors due not only to the houses themselves but also from the increased infrastructure required to service the new residents.

Completing the acquisition of conservation easements on SPI land in this corridor will promote management objectives that meet both the needs of public and private landowners and will create a cohesive management area for forest stewardship and habitat preservation. In addition, prohibitions on residential construction, landscaping and increases in impermeable cover will prevent excess erosion and protect water quality in the nearby creeks and lakes.

The land consolidation resulting from this Sierra Checkerboard Initiative will allow for a seamless landscape of diverse wildlife habitat types for large mammals and wildlife including the mountain lion, bobcat, lynx, mule deer, Pacific fisher, great gray owl, California spotted owl, bald eagle, and northern goshawk. It is significant that the conservation of these checkerboard properties will also provide habitat linkages between two or more major biological regions of the state.

3. Addressing the impacts of climate change in the Sierra and the rest of California.

The Henness Pass area exhibits a number of features that enhance the adaptability of species, habitats, and communities to the impacts of climate change. The area is at a relatively high altitude near the crest of the Sierra Nevada, and has a north facing aspect. The area is expected to continually receive and hold snow longer than lower, more southerly and south facing aspects of the range. The Henness Pass area, therefore, should continue to play an important role in storing and releasing water for downstream human use far into the future. It also means that the wet meadows and lacustrine ecosystems on these properties will continue to function for a long time to come, while similar environments in less ideally situated locations will not. This makes the Henness Pass area an important refuge and holding ground for species threatened by global warming such as the

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Sierra yellow-legged frog, which is known to occur on nearby properties and which faces the loss of much of its remaining habitat in the next century. Given the property's location on the flank of the Sierra divide and at the juncture of three major river systems (the Feather, Middle Yuba and Little Truckee), the Sierra Crest easement lands also provide a critical corridor for plants and animals migrating in search of new niches as climate change progresses. TPL's work with its partners to protect parcels comprising a large-scale landscape in the north central Sierra will provide optimum adaptability for a variety of habitats, which scientists have declared is the best way to allow for a range of migration responses to climate change.

Protecting this timber and native plant habitat will ensure that this site continues to provide carbon sequestration benefits. SPI forests have sequestered over 74 million metric tons of CO₂, and counting. As a leader in the Sustainable Forestry Initiative, SPI is committed to a land stewardship ethic that involves the long-term protection of wildlife, plant and soil quality.

C. SNC Program Goals

(a) Provide increased opportunities for tourism and recreation

The proposed conservation easement ensures permanent, free public access for recreational uses compatible with permitted forestry activities. The project will create increased opportunities for recreation by consolidating land management and opening trail linkages.

The Sierra Crest III sections currently provide significant recreational opportunities to visitors in this area, including access to the north shore of Lake of the Woods, the southern shore of which is developed with a U.S. Forest Service campground that is regularly used by the Boy Scouts of America. Additionally, two of the Sierra Crest III parcels are adjacent to the 3,000 acre Webber Lake/Lacey Meadows property also under acquisition by the TPL and TDLT. One of these two parcels is in Coppins Meadow, a "gateway property" to Webber Lake.

Protecting Sierra Crest III lands as working forests will support continued recreational access by prohibiting residential development of the Sierra Crest lands. Residential development would restrict public access to the properties along Jackson Meadows road and around Webber Lake, diminishing the enjoyment of hiking, fishing and snowmobiling. With more homes in the area, the number of conflicts between residents and outdoor enthusiasts would increase. If the road were to be plowed to provide all-season access to residents, the entire winter season of snowmobiling and cross-country skiing would likely end for this popular area. While the amount of development allowed under current zoning is low density, it will still have a significant impact on the wilderness experience, and will degrade the open scenic vistas now enjoyed from hiking trails, camping grounds, and from the lake.

The project offers the long-term benefit of ensuring public access to the area's lakes and trails, including the Pacific Crest Trail and other trail linkages. The long-term management of the property will allow appropriately low-impact construction or reconstruction of trails, primitive campsites, outhouses, interpretive signs, walkways, and wildlife observation stands. The Performance Measure implemented to assess the project's achievements toward this SNC goal is: A1 – Number of People Reached, and C11 – Acres of Land Conserved.

(c) Aid in the preservation of working landscapes

The Sierra Crest Conservation Easement Project in its final phase seeks to permanently protect productive timberland that is threatened by rural residential development. The Sierra Crest III parcels are currently managed for their native timber resources by Sierra Pacific Industries (SPI). SPI is a national leader in sustainable forestry practices, and leads the nation in the largest carbon sequestration project. The SPI meets the policy goals of the Sustainable Forestry Initiative in increasing overall forest growth, quality, and productivity, and works towards the long-term

protection of wildlife, plants, soils, and water quality. The proposed conservation easements will protect the environment while protecting jobs, as it will prevent the SPI property from being converted from forest resources and timber production to private, single-family housing.

The SPI forestland is composed primarily of whitewoods, including California red fir, white fir, and mountain hemlock. Ponderosa Pine makes up about 15 percent of the timber, and the remainder consists of other conifers such as lodgepole pine, whitebark pine, and the rare Engelmann Spruce. These tree species are valuable commercial lumber resources, especially in a strong timber market. Changes in the timber market, however, make it less feasible for timber companies to continue to manage for forest resources and more appealing to sell for subdivision and private development. If the SPI parcels remain unprotected, there will be significant business pressure on SPI to sell all or part of the property for its rural residential value.

All of the Sierra Crest lands feed timber into SPI's Quincy Mills. Just recently, SPI has started to receive new orders for lumber and re-opened its small mill. In addition, the Loyalton Biomass Plant in Quincy, which generates electricity from carbon neutral wood bi-products, is now running. The Sierra Crest III parcels have provided over 5,500 mbf of sustainably harvested timber to local mills over the last 10 years. Protection of SPI lands through conservation easements will help to ensure a continued timber supply to the mills and will contribute to the stability of the local economy, which thrives on a healthy timber industry in the Sierra Nevada. The conservation easement will allow normal forest management practices with some restrictions to protect water quality and habitat values. The Performance Measure implemented to assess the project's achievements toward this SNC goal is: A3 – Number and Type of Jobs Created, and A4 – Number of New, Improved or Preserved Economic Activities.

(d) Reduce the risk of natural disasters, such as wildfires

Placing conservation easements over the proposed SPI lands will prohibit conversion of these lands to rural and residential uses. One of the most immediate negative impacts that would result from this land conversion would be increased wildfire risk. If the site were developed, the influx of human activity could exacerbate the risk of fire in an already fire-prone area. Protecting the parcels from development may also prevent erosion and landslides. A consolidation of land management would be achieved through this project. Consolidating public ownership in the region is crucial to fire prevention, as management practices for reduction of fuels would be more consistent across the landscape. Active and concerted management would also reduce the intensity of all wildfires, regardless of ignition source. The Performance Measure implemented to assess the project's achievements toward this SNC goal is: C11– Acres of Land Conserved.

(e) Protect and improve water and air quality

One of the key public benefits of the proposed conservation easement is that it would prevent any development on the Sierra Crest III sections, thereby protecting water and air quality of the region. The scenic SPI parcels are increasingly attractive to buyers desiring a second home or vacation cabin: the area offers easy access to urban services and major population centers, as well as unmatched opportunities for four-season wilderness recreation. Potentially, all the Phase III SPI lands along FS07/Jackson Meadows Road could be sold to private parties who could build at least another 5 homes along this rural two-season access road. Sierra County officials report that already as many as a dozen homes in this area are occupied year round as primary residences, with their owners utilizing Jackson Meadows Road to commute to and from jobs in Truckee and Reno. Currently, Jackson Meadows Road is not plowed during the winter months. With an increasing number of residences, there would be greater pressure to plow the paved portions of these roads

during the winter months. A year round road would potentially have significant deleterious impacts on water quality in the Little Truckee and Middle Yuba Rivers, on the air quality of the wilderness and near-wilderness regions, and on the ability for wildlife to move freely during the winter and spring months.

A conservation easement on the Sierra Crest III sections will protect the water and air quality of the region by prohibiting many harmful activities such as the following: residential construction; mining or any excavation; use of biocides, herbicides, defoliants or chemical fertilizers; storage of deposit of waste materials; and any industrial, commercial, or residential activities. In addition, prohibitions on residential landscaping and other residential constructions will prevent excessive erosion and protect the water quality in the Reservoir and nearby lakes and creeks.

While the project will allow SPI to continue to own the land in fee, appropriate restrictions will be placed to protect water quality, habitat values, and wildlife migration corridors. Timber practices will be monitored for sustainability by TDLT, as the owner and manager of the conservation easement. SPI forestlands also offer significant carbon sequestration benefits. Performance Measure chosen to assess the project's achievements toward this SNC goal: C11– Acres of Land Conserved, and C9 – Tons of Carbon Sequestered.

(f) Assist the Regional economy through the operation of the SNC's program

Outdoor recreation and tourism is a large component of the Sierra County economy. The acquisition of a conservation easement over SPI lands can aid the regional economy by enhancing and protecting year-round recreation opportunities. The Jackson Meadows area in particular is a very popular recreation destination. Estimates show nearly 40,000 people staying in the local campgrounds annually and almost 25,000 people snowmobiling on these lands each winter. TPL has conservatively estimated that these visitors bring just over \$2.6 million per year to the local economy through campground fees, fuel purchases, food purchases, and tours through the local snowmobiling outfitters. Many visitors who come to the Jackson Meadows area are likely to stay in lodgings in Truckee, Sierraville, or one of the other surrounding unincorporated communities.

As previously described, the easements would also allow for the protection of working forestlands. The acquisition of conservation easements on the property is the most economically efficient method of protecting these working forestlands. SPI will benefit from the conservation-associated reduction in property taxes, which will provide them with additional funds and incentives to steward the land for permanent forest resource protection and production. Furthermore, by acquiring conservation easements, instead of fee title, the lands will continue to provide inputs in the form of raw timber to local mills, and will stay on the local property tax rolls, thus maintaining the stability of land-based livelihoods and generating local public revenues. TDLT will monitor and manage the easement restrictions, saving more costs to state and federal agencies.

The proposed conservation easements will indirectly support the regional economy by prohibiting scattered, rural, low-density development. Conversion of currently consolidated and managed landscape into rural residential uses would be a hardship on local governments and the regional economy. Sierra County officials estimate that any additional tax revenue generated by residential uses would be more than offset by the greater cost of services required by such a low-density community in a remote area of the County. For example, as more residences are constructed in this heavily forested area, the cost to defend human life and property from wildfires will increase. Many of the new homes would likely be vacation and second homes, and the opportunities for vandalism and other mischief would put a greater demand on the local Sheriff's Department. Also, with enough second homeowners in the area, they are likely to demand four-season access along Jackson Meadows Road. This would create a major conflict with the 25,000 snowmobilers who come here to recreate every winter, which in turn would have a significant negative impact on the

local tourist based economy. Land-use conversion to rural residential home-sites would also diminish the scenic qualities of the property as a wilderness area, and damage the property's recreational value by barring or complicating public access.

Whether through the protection of recreational opportunities, or the support of a sustainable timber industry, the proposed conservation easements will contribute to the economic stability of the northern Sierra communities. The Performance Measure implemented to assess the project's achievements toward this SNC goal is: A1 – Number of People Served; A2 – Dollar Value of Resources Leveraged for the Sierra Nevada; A3 – Number and Type of Jobs Created; A4 – Number of New, Improved or Preserved Economic Activities; and C11 – Number of Acres Conserved.

D. Cooperation and Community Support

TDLT, TPL, and SPI have been working in close cooperation regarding the long-term objectives of the Sierra Crest Conservation Easement Project and the larger Sierra Checkerboard Initiative. Over the past eight years, dedicated and successful efforts have been made to include various stakeholders in the planning and implementation of the larger Sierra Crest Conservation Easement Project. TPL has solicited stakeholder participation through face-to-face meetings with councils, community groups and businesses, relevant industries and services, and individuals. To ensure broad community support, and that targeted needs are addressed, TPL and TDLT have worked closely with the Sierra County Planning Department, the Northern Sierra Partnership, the Tahoe National Forest Sierraville Ranger District, and the Truckee River Watershed Council. Letters of support for this project come from the Tahoe National Forest, the Sierra County Department of Planning and Building Inspection, the Truckee Watershed Council, and the Truckee Trails Foundation. Northern Sierra Partnership (NSP) endorses this project and is willing to commit privately raised funds.

The conservation and consolidated land management resulting from this project will open doors to broad and inclusive environmental educational opportunities for children, schools, and communities. This project will build upon existing interpretive and other educational programming and outreach. Lake of the Woods, for example, is shared between SPI and USFS lands. There is a forest service campground that is regularly used by the Boy Scouts just across the lake on U.S. Forest Service land. SPI's property is a major backdrop to this campground and the property is and will continue to be heavily used for hiking and swimming. Connectivity of these parcels to other protected lands such as Lake of the Woods will provide increased opportunities for the public to learn about, discover, enjoy and develop a greater appreciation for and understanding of the Sierra Nevada.

This project is compatible with the long-range management plan of the Tahoe National Forest, and will facilitate better management of adjoining Sierra forestlands for wildfire management, recreational access, invasive species prevention, and endangered species protection. The project will secure wildlife migration corridors critical to climate adaptation, and buffer a heavily visited roadless area – all priorities of the Forest Service and Sierra County. The proposed easements support the efforts of the Truckee Watershed Council to restore the water quality and habitat values in the Little Truckee River and its tributaries. In addition, the Truckee Trails Foundation strongly supports the easement for the improved recreational access it will provide. This project also addresses Sierra County goals, which prioritize the protection of open space, forest resources, agriculture, and tourism in the county. The proposed conservation easement would protect the property from scattered, rural residential development, which would diminish the scenic qualities of the property, damage its recreational value by barring or complicating public access, and decrease the economic viability of commercial timber production in this area.

TPL staff will communicate with media, state and local elected officials, agencies, and community partners both inside and outside the region through stakeholder meetings, participation in Sierra-focused collaborative endeavors, press releases, and private tours. TPL and TDLT strive to highlight the importance of the Sierra Nevada region. Through the scrupulous conservation efforts of the Sierra Checkerboard Initiative, in coordination with strong community involvement, TPL remains dedicated to bringing resources and attention to the Sierra Nevada landscape to ensure its long-term protection.

E. Project Design, Management, and Sustainability

1. Project Design and Management

The primary fiscal partner in this project is TDLT, as they will take actual title to the conservation easements and steward them into perpetuity. TPL is facilitating the acquisition of the conservation easements. TPL anticipates the fiscal partnership of the Wildlife Conservation Board (WCB), pending approval of the July 2010 grant request, and looks forward to securing the fiscal commitment of the Northern Sierra Partnership (NSP).

With over 35 years of experience in land conservation transactions, TPL is well qualified to implement the proposed acquisition project. TPL's project, legal, and financial staff provide a broad range of expertise to successfully complete the acquisition of conservation easements over the SPI property. Since 1972, TPL has worked with willing landowners, community groups, and national, state, and local agencies to complete more than 3,000 land conservation projects in 46 states, including over 135,000 acres in the Sierra Nevada Region.

Working in partnership with TPL, the TDLT will monitor and manage the easement restrictions. TDLT has over 20 years of experience preserving and protecting important historic, recreational, and scenic open spaces in the greater Truckee region. Founded in 1990, TDLT was born out of the community's desire to protect the picturesque and historic Coldstream Valley next to Donner Lake, which was about to be lost to logging. To date, TDLT has protected over 14,000 acres of land by means of outright acquisitions, donations, and conservation easements. TDLT has a full time Lands Director with the expertise to ensure proper management of riparian corridors, recreation resources, and public trails.

The appropriate up-front planning has taken place to determine the need for conservation easements over the SPI parcels. Over the past eight years, TPL has demonstrated a consistent and streamlined management approach through the highly successful Sierra Crest Conservation Easement Project. In this third and final phase, TPL will implement the same proven process of management. TPL and TDLT will work in close partnership with SPI to minimize the impact to the natural and cultural resources of the area. The conservation easement prohibits negative impacts on the land's natural resources. It prevents the property from residential subdivision, clear-cutting, or similar even-aged methods of forest management for landscape conversion. While the SPI will continue to own the land in fee, it will manage the properties sustainably as productive timberland subject to the terms of the easements held by the TDLT. The TDLT ownership and management will protect wildlife habitat and migration corridors. All construction or reconstruction of trails, primitive campsites, outhouses, interpretive signs, walkways and wildlife observation stands will be subject to the consent and conditions of the TDLT in the interest of minimizing impacts to the region's natural resources. TDLT and its staff have extensive experience in managing and enhancing public recreation resources, while also providing the highest level of protection for wildlife habitat and water quality.

At the close of escrow, TPL will create an endowment of approximately \$75,000 to fund the long term monitoring and stewardship of the easements over the Sierra Crest Phase III parcels. This endowment is in addition to the \$225,000 provided by TPL to TDLT over the course of previous

phases for the same purpose. TDLT will manage and monitor this site to maintain its natural and recreational values and to be consistent with the Tahoe National Forest's management plan.

Long-term monitoring methods include baseline documentation of the property through photos and resource inventories, and regular site visit and assessments to ensure that the standard for conservation and resources protection is measured and upheld. TPL, SPI, and TDLT are committed to preserving and enhancing the ecological benefits of this site while also balancing appropriate public uses.

2. Project Need & Sustainability

The project need has been determined through planning meetings with stakeholders such as the local business community, landowners, and public agencies of the northern Sierra region. A considerable number of reports indicate the ecological values of the Sierra Crest III parcels, and the need for their long-term protection. Recent research by The Nature Conservancy (TNC) determined that the Northern Sierra is likely the state's most resilient repository for natural biodiversity in the face of climate change. Furthermore, TPL's science based checkerboard assessment identified the need for consolidated habitat corridors moving east and west across the Pacific Crest of the Sierra in order to allow more species movement and adaptation to climate change.

The Sierra Crest Phase III parcels are contiguous to lands that are already protected and under public ownership. The acquisition of conservation easements over these lands will create a cohesive corridor of publicly protected lands around the Sierra Crest and in the headwaters of the Middle Yuba and Little Truckee watersheds. This larger Sierra Checkerboard Initiative has already placed conservation easements on lands surrounding these parcels. The proposed easement builds upon TPL's Castle Peak projects that were acquired twenty years ago to help protect a roadless area, which is now proposed as a U.S. Forest Service Wilderness Area. Furthermore, the parcels are surrounded by the Tahoe National Forest, and are a part of the proposed Castle Peak Wilderness Area. The connectivity of this site to already-protected lands helps create a "landscape level" corridor of protection to ensure long-term environmental and recreational sustainability.

3. Long-Term Management

Acquisition of the SPI parcels is part of the TPL's regional Sierra Checkerboard Initiative to strategically consolidate public ownerships throughout the Sierra. Once the conservation easements are acquired, TDLT will own and manage the easements in perpetuity. SPI will continue to own the land in fee, which will result in sustainably managed timberland that is under the protection and monitoring of TDLT. This project prohibits any residential subdivision or landscape conversion with the outcome goal of preserving the current character and quality of the landscape and its natural resources.

As owner of the easement, TDLT will conduct regular monitoring visits according to a monitoring plan that will be developed in parallel to the baseline report. The monitoring plan for Phases I and II of the Sierra Crest Conservation Project (attached to this application as an appendix) will be modified appropriately to fit the needs of Sierra Crest III lands. This monitoring plan involves annual site visits, inspections of parcels, and interviews with landowners for forest management activities, chemical use, topographic modifications, and industrial, commercial, and/or residential activities. Additionally, photo points will be annually retaken and compared to baseline photos and conditions.

SPI will continue to manage the land sustainably for timber production. In addition, the conservation easement will give TDLT, as the long-term steward, the right to make trail improvements to improve public access and safety (any such trail enhancements would also be consistent with SNC program requirements). Otherwise, the site will be maintained in its current natural condition to protect water quality, wildlife habitat, scenic views and public recreational access.

Detailed Budget Form					
State of California - Sierra Nevada Conservancy					
APPLICANT NAME: The Trust for Public Land					
SNC REF #:					
PROJECT TITLE: Sierra Crest Working Forest Conservation Easement Phase III					
PROJECT TYPE (choose one):					
<input checked="" type="checkbox"/> ACQUISITION <input type="checkbox"/> SITE IMPROVEMENT <input type="checkbox"/> RESTORATION <input type="checkbox"/> PRE PROJECT PLANNING					
SECTION ONE DIRECT COSTS	QTY	UNIT*	UNIT COST	SUBTOTAL	SNC Grant Request
Fees - Appraisal/Permits/CEQA/Easement					
Acres	2,720			\$3,500,000.00	\$540,000.00
TOTAL:				\$3,500,000.00	\$540,000.00
DIRECT COSTS SUBTOTAL:				\$3,500,000.00	\$540,000.00
SECTION TWO INDIRECT COSTS	QTY	UNIT*	UNIT COST	SUBTOTAL	SNC Grant Request
N/A	0		\$0.00	\$0.00	
OTHER TOTAL:				\$0.00	\$0.00
MAINTENANCE SUBTOTAL:				\$0.00	\$0.00
PROJECT TOTAL:				\$3,500,000.00	\$540,000.00
SECTION THREE					
Administrative Costs (Description - Not to exceed 15% of Project Total):					
N/A	0		\$0.00	\$0.00	
ADMINISTRATIVE TOTAL:				\$0.00	\$0.00
SNC TOTAL GRANT REQUEST:					\$540,000.00
OTHER PROJECT CONTRIBUTIONS	QTY	UNIT*	UNIT COST	Contribution	Status**
Northern Sierra Partnership				\$540,000.00	Endorsed
California Forest Conservation Board - Wildlife Conservation Board				\$2,420,000.00	Pending
Total Other Contributions:				\$2,960,000.00	

Performance Measures

A. Performance Measures Common to All Categories

1. Number of People Reached

The outcome of the proposed conservation easements will impact thousands of individuals who visit the Sierra Crest region annually for recreation, tourism, and study, as well as those who make their primary or secondary residence in the area. The region is an in-holding of the Tahoe National Forest: approximately 20,000 people visit designated wilderness areas within the Tahoe National Forest annually and enjoy a vast network of trails, campsites, fishing access points, and other recreational amenities.

The project includes The Trust for Public Land, Sierra Pacific Industries, and the Truckee Donner Land Trust as the principal stakeholders involved in this project's planning and implementation. The benefits of the project will therefore reach the 1,400 members of the local Truckee Donner Land Trust (TDLT) who work to preserve and protect important historic, recreational and scenic open spaces in the greater Truckee region.

As the project will conserve a working forest, the Sierra Pacific Industries and its employees will also be impacted. More than 4,400 people are employed through SPI in a wide variety of positions, including foresters, mill crews, and natural resource specialists.

2. Dollar Value of Resources Leveraged for the Sierra Nevada

The estimated fair market value of these conservation easements is \$3,500,000. A \$540,000 grant from SNC will leverage an additional \$2,960,000 for Phase III of this land conservation project. Support from the SNC will also leverage the first two phases of the Sierra Crest Conservation Easement Project, which placed conservation easements with a total value of \$8.25 million over a total of 4,365 acres. Finally, this project compliments collaborative efforts made over the last twenty years to protect the Little Truckee River/Middle Yuba River headwaters area where the Sierra Checkerboard lands are located. SNC contribution will compliment over two decades of conservation efforts by public and private partners that have resulted in over 35,959 acres of permanently protected lands and \$67.3 million in conservation investments locally.

3. Number and Type of Jobs Created

This acquisition project will not directly create new jobs. However, the project will support the continuation and growth of Sierra Pacific Industries, the timber company that will continue to own the land and fee and manage it as sustainably harvested timberland. A range of jobs will be saved, specifically through sustaining employment in SPI's Quincy Mills and Loyalton Biomass Plant. Quincy Mills, which receives timber from all of the Sierra Crest lands, has started to receive new orders and has recently re-opened. The Loyalton Biomass Plant, which generates electricity from carbon neutral wood bi-products, has also started running. New jobs at this biomass plant may be created to support the productivity of these working forests. This performance measure is applicable to the project, but it is not known at this time the number of new forest industry and service jobs that might be supported or required in the future due to the acquisition of conservation easements.

4. Number of New, Improved or Preserved Economic Activities

The project will maintain the Sierra Crest Phase III parcels as working forests, managed sustainably by Sierra Pacific Industries. In prohibiting private development and preserving and enhancing local recreation opportunities, this project will indirectly preserve the economic activities associated with the local and regional tourism, recreation, and service industries.

C. Performance Measures for Acquisition-Only Projects

9. Tons of Carbon Sequestered or Emissions Avoided

Since 1900, the Sierra Pacific Industries forestlands have sequestered over 74 million metric tons of CO₂ and counting. SPI is a voluntary partner in the Sustainable Forestry Initiative, and is dedicated to all aspects of forest health, including wildlife habitat, native plant species, and water quality. Allowing SPI to continue to own the parcels in fee and conserve the forests as working forests will support the forest's carbon sequestration benefits for years to come in this critical climate change era.

11. Acres of Land Conserved

The Sierra Crest Conservation Easement Project will permanently protect 2,720 acres of Sierra Pacific Industries (SPI) alpine forestlands from residential land-use conversion. The overall project, in its third phase, fulfills the objective of the larger Sierra Crest Conservation Easement Project to preserve forest cover, recreational access, and habitat linkage on a grand total of 7,085 acres of checkerboard lands. The successful outcome of this performance measure will further rationalize land management practices and reduce future land use conflicts in the Sierra Checkerboard. TPL's close of escrow on the proposed conservation easements on 2,720 acres of SPI lands will serve as measurement of this project's success.

Environmental Setting and Impacts

The third phase of the Sierra Crest Conservation Easement Project will place conservation easements over 2,720 acres of alpine forestlands currently owned by Sierra Pacific Industries (SPI). The SPI parcels are located in the headwaters of the Middle Yuba, Middle Fork Feather, and Little Truckee River watersheds in Sierra County.

The northern Sierra Nevada Range, where these parcels are located, is notable for its forests and habitats serving large mammals and wildlife including the mountain lion, bobcat, lynx, mule deer, Pacific fisher, great gray owl, California spotted owl, bald eagle, and northern goshawk. The property's forestland is composed primarily of whitewoods (80 percent), including California red fir (*Abies magnifica*), white fir (*Abies concolor*) and mountain hemlock (*Tsuga mertensiana*). Ponderosa Pine (*Pinus ponderosa*) makes up about 15 percent of the timber and the remainder consists of other conifers such as lodgepole pine (*Pinus contorta*), whitebark pine (*Pinus albicaulis*), and the rare Engelmann Spruce (*Picea engelmannii*).

The five SPI parcels, totaling 2,720 acres, straddle the Sierra Crest on and around the Henness Pass. The most northern parcel, Section 17, contains a portion of this historic route, and is traversed by FS07/Jackson Meadows Road. This well maintained, two-season road provides access from Highway 89 to Jackson Meadows Reservoir, a major recreation destination for camping, fishing, and boating.

The Sierra Crest Phase III easements also protect the southern flank of Webber Peak and portions of Coppins Meadow, both of which are in the immediate vicinity and viewshed of Webber Lake and Lacey Meadows. Webber Lake and Lacey Meadows, one of the finest sub-alpine meadow complexes in the Northern Sierra eco-region, is currently under contract to be purchased by the Truckee Donner Land Trust for conservation and inclusion in the larger Sierra network of publicly accessible and protected ecological sites.

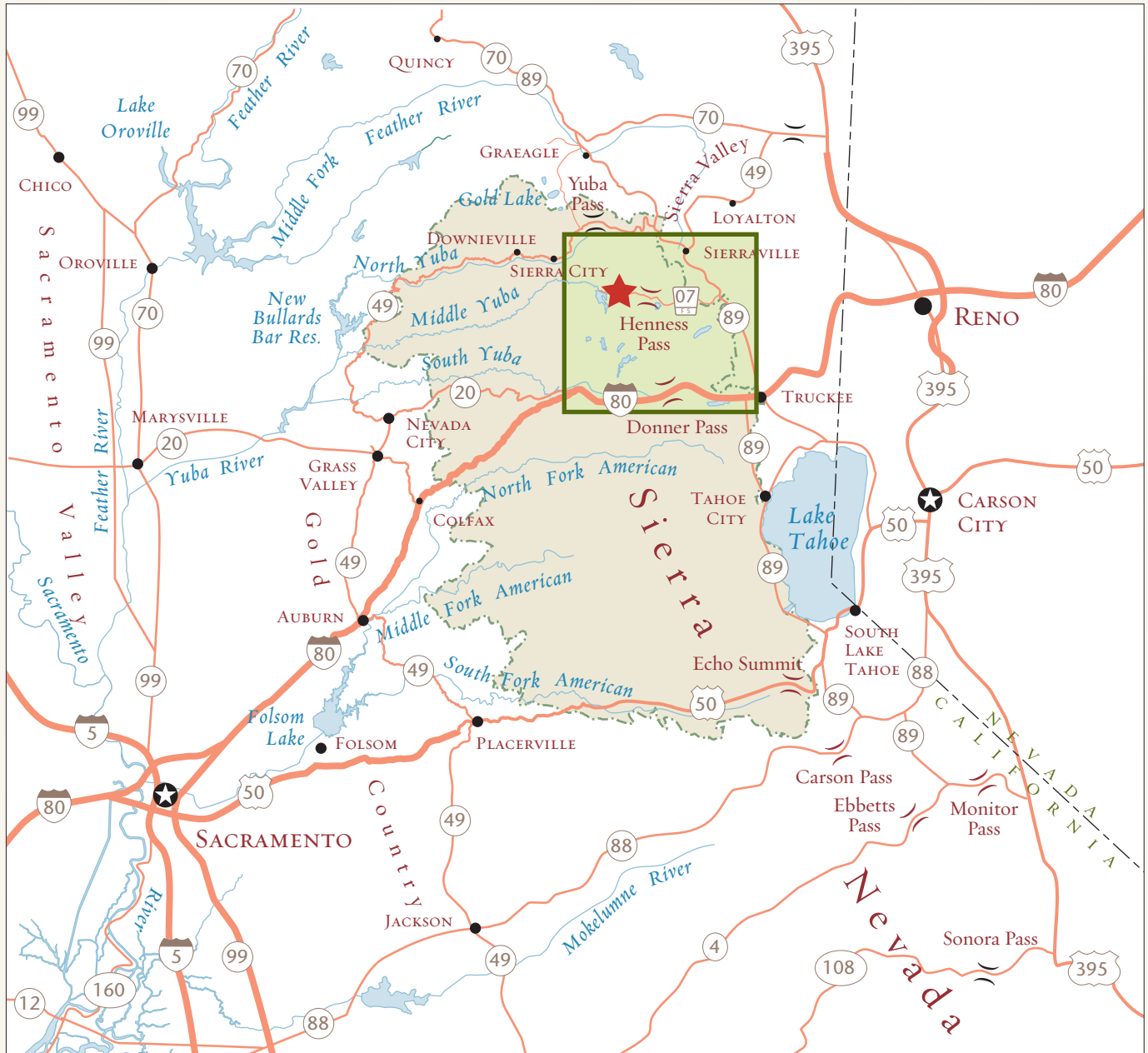
The Phase III parcels are located on the Pacific Crest of the Sierra Nevada and at the juncture of three major river systems (the Feather, Middle Yuba, and Little Truckee). This location makes the Sierra Crest Phase III lands a critical corridor for plants and animals migrating in search of new niches as climate change progresses. The Henness Pass area is also an important refuge and holding ground for species whose habitats are threatened by global warming, such as the Sierra yellow-legged frog. The high altitude and north-facing aspect of these Sierra Crest Phase III lands suggests they will continue to play an important role in storing and releasing water downstream far into the future, which increases the importance of the long-term preservation of these lands for their ecological values.


The conservation easements will protect watersheds important to California's water supply (including the Middle Yuba, Truckee, and Feather river) from potential contamination from increased residential construction. If this heavily forested land were to be broken up into privately owned, residential or commercial subdivisions, wildlife and migration corridors would be interrupted, and water quality in the nearby Jackson Meadows reservoir would be threatened by excessive erosion. The inconsistency of land management that would result from the dissolution of SPI working forests would lead to an increase in the risk of wildfires, clear-cutting by smaller and less sustainable timber companies, and potential introduction/spreading of invasive species. Private residential development would also prevent public access to cherished recreational sites such as Jackson Meadows Reservoir, and Lake of the Woods, which is adjacent to a popular U.S. Forest Service campground that is regularly used by the Boy Scouts of America.

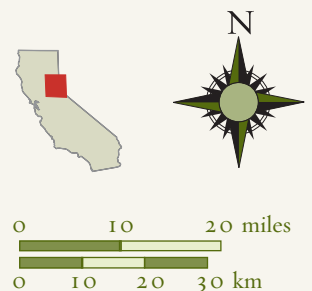
Sierra Nevada Conservancy Prop 84 Grants Program
Environmental Setting and Impacts

The conservation of the Sierra Crest III parcels completes a three-phased major conservation initiative in the Tahoe National Forest. The Trust for Public Land (TPL), in partnership with the Truckee Donner Land Trust (TDLT), Sierra Pacific Industries (SPI), and various federal and state public agencies have been working in partnership for eight years on the Sierra Crest Conservation Easement Project. With the acquisition of conservation easements over the final five SPI parcels, a grant total of 7,085 acres of checkerboard lands will be protected for recreational access and habitat linkages.

SIERRA CREST PROPOSED CONSERVATION EASEMENTS LOCATION MAP

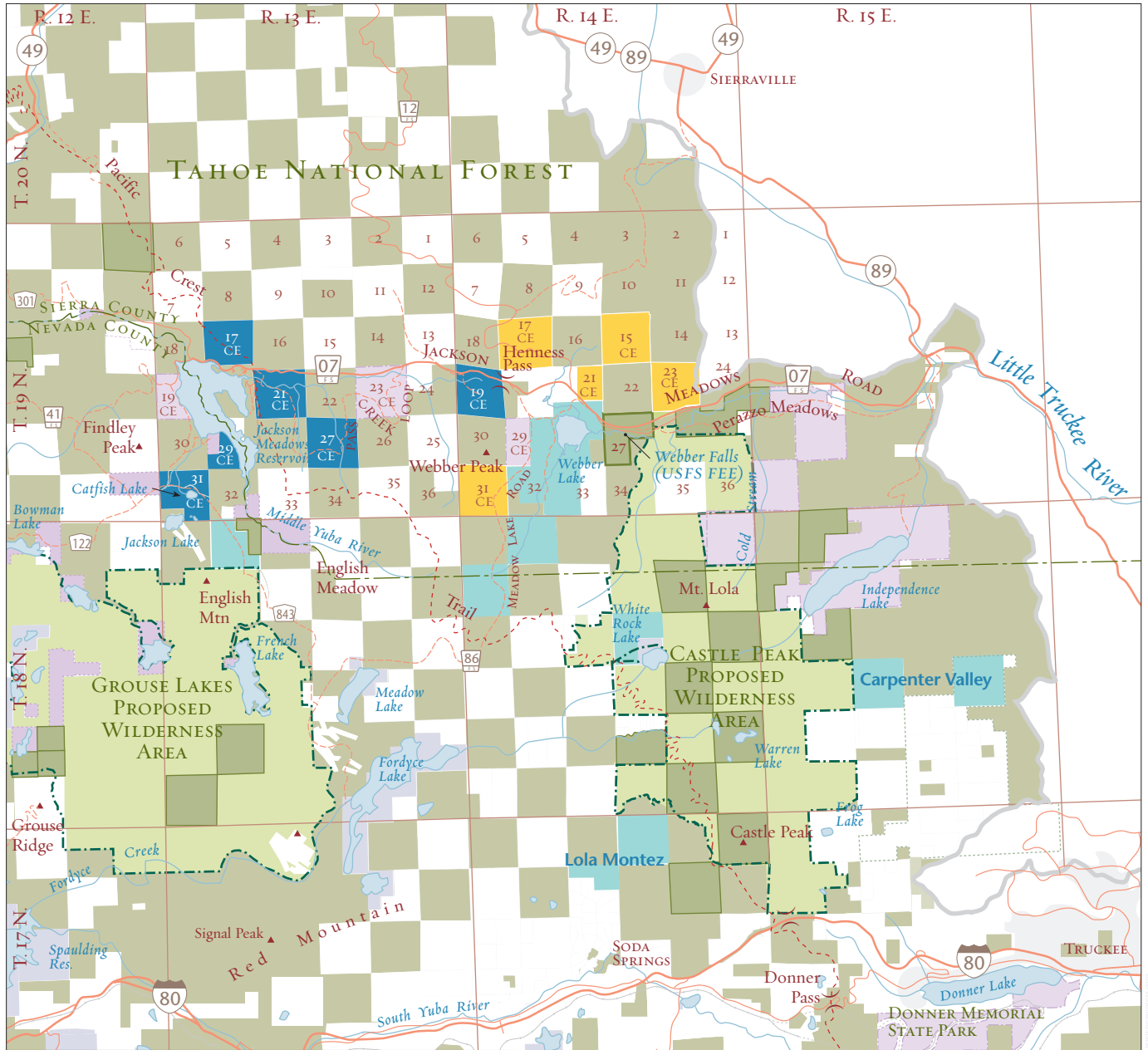


-  Sierra Crest Project Location
-  Project Map
-  TPL Sierra Checkerboard Initiative



SIERRA CREST CONSERVATION EASEMENT PROGRAM

NEVADA & SIERRA COUNTIES, CA



Updated June 2, 2010

LAND MANAGEMENT

- National Forest (USFS)
- Proposed Wilderness Areas
- Other Protected Land
- Private Property

PROJECTS

- Sierra Crest Project - Phase I
- Sierra Crest Project - Phase II
- Sierra Crest Project - Phase III
- CE conservation easement

- Completed TPL/TDLT Acquisitions
- Pending NSP Acquisitions

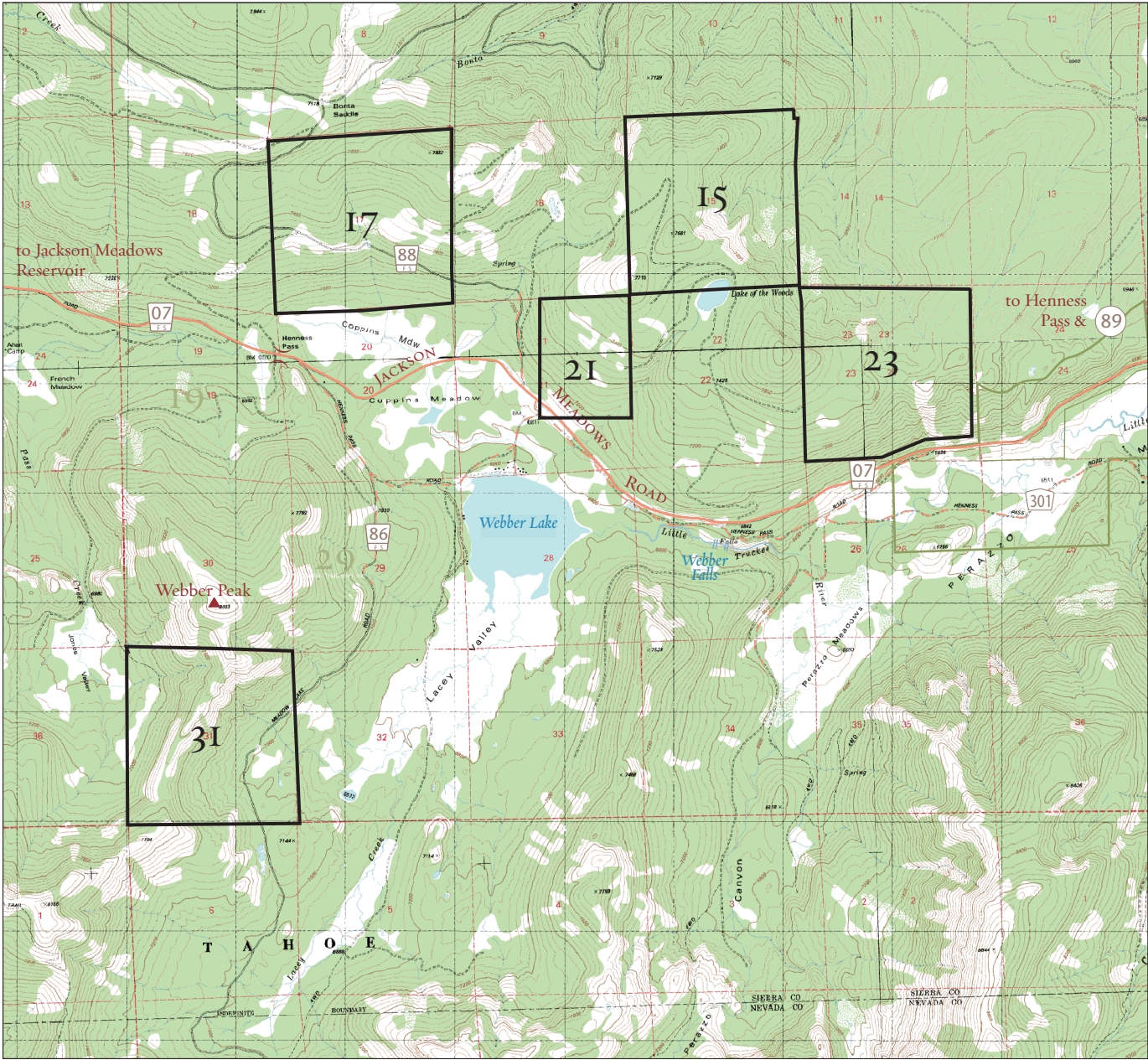


Northern Sierra Partnership



SIERRA CREST PROPOSED CONSERVATION EASEMENTS

PHASE III



USGS 7-1/2 minute quadrangles: Haypress Valley, Sattley, English Mtn and WebberPeak

Updated June 2, 2010



Northern Sierra Partnership













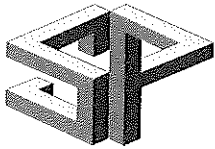
Acquisition Schedule

The third phase of the Sierra Crest Conservation Easement Project will place conservation easements over 2,720 acres (5 parcels) of alpine forestlands currently owned and maintained as working forests by Sierra Pacific Industries (SPI). The Phase III SPI parcels are located in the headwaters of the Middle Yuba, Middle Fork Feather, and Little Truckee River watersheds in Sierra County.

The total appraised value of all 5 easements is \$3.5 million. The appraisal will be completed in September 2010 and forwarded to SNC under a separate cover. As of the submission of this grant request, TPL has received a verbal indication of value from the appraiser that supports TPL and SPI's expectations. TPL and SPI are currently in the process of finalizing the purchase agreement based on this late breaking information.

To leverage the funds (\$540,000) requested from the SNC, TPL, in partnership with TDLT, is seeking \$540,000 from the Northern Sierra Partnership (NSP) and \$2,420,000 from the Forest Conservation Program of the California Wildlife Conservation Board (WCB). Both the NSP and the WCB have provided funding for earlier stages of the Sierra Crest Conservation Easement Project. The WCB has already invested \$6.42 million for earlier phases of the Project. The NSP has invested \$1.83 million to date in the first two phases, and while Phase III funding will not become available until 2011 NSP allocations are made, the project has already been formally endorsed by the NSP. Matching funds are anticipated to become available by late spring or early summer.

Pending timely availability of funds, TPL will purchase conservation easements over all 2,720 acres of SPI alpine forestlands in July 2001. The close of escrow in July 2011 will represent the completion of the Sierra Crest Conservation Easement Project, which has existed in three phases since 2001. A grant total of 7,085 acres of checkerboard lands in the Sierra Crest region will be preserved by the close of this project. The final report will be submitted to the Sierra Nevada Conservancy in September 2011, or 2 months after the close of escrow.



Sierra Pacific Industries

Tahoe District • P.O. Box 1450 • Cedar Ridge, California 95924 • (530) 272-2297

August 30, 2010

Jim Branham, Executive Director
Sierra Nevada Conservancy
11521 Blocker Drive, Suite 205
Auburn, CA 95603

To Whom It May Concern:

We are working in cooperation with The Trust for Public Land (TPL) and the Truckee Donner Land Trust (TDLT) on the sale of conservation easements over approximately 2,720 acres of checkerboarded forest lands along Jackson Meadows Road, in the northern portion of the Tahoe National Forest. We have already closed escrow with TPL and TDLT on easements covering approximately 1,182 acres and are currently in escrow to close the sale of easements over an additional 3,183 acres in this same area of the Tahoe National Forest. The conveyance of easements over the 2,720 acres currently under discussion will complete the Sierra Crest Working Forest Conservation Easement program we began with TPL and TDLT back in 2008. We are currently awaiting the results of a pending appraisal of these properties. Assuming that the fair market value supported by this appraisal is roughly in line with that concluded for previous phases, we expect to enter into an option agreement with TPL this fall. The option will give TPL 12 months to complete the acquisition of the Phase III Sierra Crest easements.

Sincerely,

Timothy J. Feller
District Manager Tahoe District
Sierra Pacific Industries

**RECORDED AT THE REQUEST OF
PLACER TITLE COMPANY**

WHEN RECORDED RETURN TO:

Truckee Donner Land Trust
P.O. Box 8816
Truckee, CA 96162
Attn: Perry Norris

(Space above this line reserved for Recorder's use)

Documentary Transfer Tax:

CONSERVATION EASEMENT DEED

THIS EASEMENT is made as of the _____ day of _____, 20____
("Effective Date"), by and between Sierra Pacific Industries, a California corporation, "Grantor,"
and the Truckee Donner Land Trust, a California nonprofit organization, "Grantee."

WHEREAS, Grantor is the owner of certain real property located in Sierra County,
California which is legally described in Exhibit A (hereafter "Property"); and

WHEREAS, Grantee is a publicly-supported, tax-exempt nonprofit land organization
qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code and Section 815.3 of
the California Civil Code, whose primary purpose is the preservation, protection, and
enhancement, of land in its natural, ecologically significant, scenic, open and agricultural and/or
forested condition for scientific, charitable, educational purposes.

WHEREAS, the Property possesses natural, forested, scenic, cultural, historical, wildlife,
open space and economic values related to the sustainable management of timber (collectively
the "Conservation Values") of great importance to Grantor, Grantee, the people of Sierra
County, and the people of the State of California; and

WHEREAS, the ecological Conservation Values of the Property include its coniferous
forest ecosystems interspersed with montane meadow and riparian habitats, which provide
habitat for a diverse array of wildlife species.

WHEREAS, the ecological Conservation Values of the Property also include its
important watershed values. Pass Creek, which flows directly into Jackson Meadows Reservoir,
is located within the easement area.

WHEREAS, the recreation Conservation Values of the Property also include year round
public recreational access to both public and private lands within the easement area for hiking,
biking, camping, horseback riding, bird watching, snowmobiling, and fishing,

WHEREAS, the scenic Conservation Values of the Property include forested views along the Henness Pass (“Fibreboard”) Road and several un-named seasonal dirt and gravel roads.

WHEREAS, the working forest Conservation Values of the Property include a forest managed for the production of wood fiber.

WHEREAS, Grantor hereby desires to voluntarily grant, convey and warrant, for valuable consideration, the receipt of which is acknowledged hereby, to Grantee a conservation easement in perpetuity over the Property of the nature, character and extent hereinafter set forth in this Conservation Easement Deed as well as the attached Exhibits to this Conservation Easement Deed (herein collectively referred to as this “Easement”); and

WHEREAS, the conservation purposes of the Easement contemplated herein are recognized by, and the grant of this Easement will serve, the following clearly delineated governmental conservation policies:

(i) Section 815.2 of the California Civil Code, which defines perpetual conservation easements, and Section 815 of the California Civil Code which articulates the California Legislature’s declaration that the preservation of land in its natural, scenic, agricultural, historical, forested or open-space condition, is among the most important environmental assets of the State of California;

(ii) California Constitution Article 13, section 8 and Revenue and Taxation Code sections 421.5 and 422.5, under which this Easement is an enforceable restriction, requiring that the Property’s tax valuation be consistent with restriction of its uses for purposes of recreation, enjoyment of scenic beauty, use of conservation of natural resources, or production of food or fiber;

(iii) Chapter 4 of Division 2 (commencing with Section 1300) and Chapter 9 of Division 3 (commencing with Section 2780) of the California Fish and Game Code, which recognize the value and public benefit of, and provide funding for, the acquisition, development, rehabilitation, restoration, and protection of wildlife habitat, including riparian and wetland areas, native oak woodlands, and corridors linking separate habitat areas to prevent habitat fragmentation;

WHEREAS, the specific conservation values of the Property are documented in an inventory of relevant features of the Property, dated April 15, 2010 (“Baseline Report”), and include reports, maps, photographs, and other documentation that the parties agree provide, collectively, an accurate representation of the Property at the time of this grant and which is intended to serve as an objective, though non-exclusive, information baseline for monitoring compliance with the terms of this grant; and

WHEREAS, the Parties intend to allow continuation of existing uses of the Property as specifically identified herein that do not significantly impair or interfere with the conservation objectives of this Easement including but not limited to sustainable timber harvest.

NOW, THEREFORE, in consideration of good and valuable consideration, receipt of which is hereby acknowledged, the Grantor does hereby grant, convey and warrant to Grantee this Easement in perpetuity over, in and upon the Property.

PURPOSES: It is the purpose of this Easement to assure that the Property will be retained predominantly in its forested, open space condition and to prevent any use of the Property that will significantly impair or interfere with the Conservation Values of the Property ("Conservation Purposes"). Grantors intend that this Easement will confine the use of the Property to such activities as are consistent with the purpose and provisions of this Easement, subject to all existing rights and encumbrances of record.

PART I

RESTRICTIONS ON THE USE OF THE PROPERTY BY GRANTOR

- A. **Subdivision.** The Property shall not be further subdivided into smaller parcels than exist as of the date of this Easement.
- B. **Structures and Improvements.** Except as provided for herein, Grantor shall not construct any building, structure, or other improvements of any kind, temporary or permanent, on the Property, including but not limited to houses, windmills, wind turbines, sheds, tanks, mobile homes and dams.
- C. **Mineral Development.** No mining, drilling, excavation or mineral development of any kind shall be permitted in, under or upon the Property, including but not limited to the development of minerals or common varieties of mineral resources such as sand, gravel, stone and clay, or the mining of organic materials such as peat. The Grantor may designate not more than 10 acres of un-reclaimed land at any given time from which sand, gravel and stone may be extracted for use as is reasonably necessary for the construction and maintenance of those trails, roads and parking areas which are located within the Property, provided that such operations are sited in such a way so as not to significantly impair or interfere with the Conservation Values of the Property.
- D. **Recreation/Education.** Grantor may construct or reconstruct the following structures and improvements for educational and recreational purposes: trails, primitive camping sites, outhouses, composting toilets, interpretive signs, directional signs, railings, walkways, wildlife observation stands or blinds, roads and similar structures and services for the public.
- E. **Forest Management Activity.** The Grantor shall be restricted to utilizing Unevenaged Silviculture Management practices as described in the Z'berg-Nejedly Forest Practice Act of

1973 (FPA) and the California Forest Practice Rules, Title 14, CCR Article 3, 933.2 of 2009. Evenaged Management practices shall be avoided except as provided for in Part II, Section A., Forest Management.

F. Chemicals Use. The use of biocides, herbicides, defoliants, chemical fertilizers, or other chemicals is not permitted unless requested in writing by the Grantor and approved by the Grantee (Part V Section M). Approval for use of chemicals for vegetation control along roads, noxious or exotic weed control or forest pest control shall not be unreasonably withheld or delayed.

G. Topography Modification. Changes in the existing general topography of the landscape or land surface of the Property, excluding change as a result of activities permitted by this Easement, are prohibited unless such changes were caused by circumstances beyond the control of the Grantor.

H. Waste Disposal and Hazardous Materials. Grantor shall not use any portion of the Property for dumps, landfills, or the storage or deposit of waste materials of any kind nor keep on or around the Property for use, disposal, treatment, generation, storage or sale any substance designated as hazardous, dangerous, toxic, or harmful as those terms are used in any federal, state, or local law regulating such substance except to the extent necessary to perform activities authorized by this Easement and applicable law.

I. Industrial, Commercial and Residential Activities. Except as authorized herein, the use of the Property for industrial, commercial or residential activities is prohibited. Sustainable forest management and timber harvest is expressly authorized herein.

J. Signs and Billboards. Grantor shall not place any sign or billboard on the Property, except to state the name and address of the Property owner and manager or to control unauthorized entry or use as may be permitted herein. Authorized signs shall be no larger than 32 square feet in area.

K. Utility Rights-of-Way. No new utility easements or rights-of-way shall be located within the Property after the date of this instrument without Grantee's consent.

PART II AUTHORIZED USES BY GRANTOR

Subject to the expressed limitations and prohibitions of this Easement, the Grantor reserves the right to use the Property for forest management and non-commercial recreation purposes.

A. Forest Management. Timber management and harvesting is permitted on the Property for commercial purposes in accordance with applicable Federal, State, and local laws and regulations and the following provisions:

- The Grantor shall have the right to cut and remove by clearcutting methods: dead, dying and diseased trees which result from natural occurrences, including wildfire, disease, insect infestation, or blowdown. Grantor reserves any and all rights, past present or future associated with forest management activities and carbon sequestration.

This forest management reservation permits the following activities conducted on the Property in a manner which complies with the provisions of this Easement and which is consistent with the standards, customs, and practices that are current and generally accepted by professional forest managers and the FPA and its implementing rules: timber cruising, timber stand improvement practices such as thinning, timber harvesting and regeneration of forest stands and construction and maintenance of necessary log landings, skid trails and haul roads. Any drainage structure such as culverts, bridges, or waterbars constructed on trails and roads will be maintained by the Grantor as required by the FPA.

B. Non-Commercial Recreation. Non-commercial recreation is permitted on the Property in accordance with all State laws and regulations in a manner which complies with the purposes, goals and provisions of this Easement and which is consistent with practices that are generally accepted by professional resource managers to protect and promote the natural resources. For purposes of this Easement, non-commercial recreation is defined as non-developed dispersed recreational activities including, but not limited to hunting, fishing, hiking, snowshoeing, skiing, biking, and horseback riding. Grantor shall have the right to close Grantor's privately owned roads to motorized vehicles either permanently or temporarily through the use of gates or other barriers to prevent resource damage or protect wildlife or other Conservation Values subject to valid easement rights of the United States Forest Service, other Public Agencies, or private parties with legal access rights.

With respect to non-commercial recreational activities, the Grantor shall have the right, but shall not have the obligation, to operate, construct, reconstruct, maintain, repair, remove, replace and relocate road and trail systems and parking areas as shown in Exhibit B attached hereto and made a part hereof. For purposes of this Part II Section B, the term road and trail systems mean a network of routes or paths developed and used primarily for recreational activities as defined above. For purposes of this clause, the term "parking area" means an unpaved cleared area suitable for the parking of passenger vehicles which shall not exceed an area of 10,000 square feet; provided, that culverts, water bars and use of gravel will be utilized to prevent and control erosion.

PART III USE OF THE PROPERTY BY THE GRANTEE

Grantee shall have the following rights, but not the obligation, to use the Property.

A. Entry and Inspection. Grantee may enter upon the Property to inspect for compliance with the terms of this Easement, and otherwise administer use of the Property pursuant to the rights acquired hereunder. In exercising this right, the Grantee may reasonably utilize motorized

vehicles including, but not limited to, cars, trucks, all terrain vehicles, snowmobiles, helicopters and boats. Access by the Grantee for inspection purposes shall be on twenty-four hours advance oral or written notice to the Grantor except in emergencies or cases of suspected deliberate violations. If requested by a Funding Agency (as defined in Part V, paragraph D, below), representatives of the Funding Agency may accompany Grantee not less than once every three years on the visits to the Property for the purposes monitoring and enforcing the terms of this Easement.

B. Signs and Notices. Grantee may post signs and notices to survey, mark and monument the boundaries of the Property; to identify and interpret natural environmental features, to promote on-site activities permitted on the Property; to give road or trail directions; or to control unauthorized entry or uses as described herein. Grantee is further granted the right to erect and maintain signs or other appropriate markers on the Property which are visible from a public road and bear information indicating that the Property is protected by a conservation easement owned by Grantee and acknowledging the role of Grantee in the creation of this Easement. The signs may also name the funding sources (and display the logos of the respective Funding Agencies) for the acquisition of this conservation Easement. The location of the signs shall be determined by mutual consent of Grantor and Grantee. Grantee shall be responsible for the costs of erecting, maintaining and removing all such signs or markers.

C. Research. With the written approval of Grantor, which approval shall not be unreasonably withheld, Grantee may conduct research activities unrelated to routine inspection and monitoring for Easement compliance and monitor such activities in connection with promoting forest land use, protection, and conservation such as protecting important scenic, cultural, fish, wildlife and recreational resources, riparian areas and ecological values, public recreation, and environmental quality consistent with all provisions of this agreement.

D. Vegetation. Grantee may plant new trees and shrubs and prune, mark, cut, and remove trees and shrubs that are dead, dying, diseased, or insect-infested for the purposes of restoring or maintaining the aesthetic, natural or scenic qualities of the Property, for prevention of disease or insect infestation, and for purposes of public health and safety: Grantor shall be entitled to the receipts from the sale of all trees cut and removed, less Grantee's reasonable costs.

E. Recreation/Public Use. Grantee may construct, reconstruct, locate, relocate, develop, operate, use and maintain trails, paved or unpaved roads, parking areas, overlooks and vistas, to enable or enhance recreational use of the Property by the public with prior written consent of the Grantor as to the location and size, which shall not be unreasonably withheld, provided such actions do not unreasonably interfere with the reserved rights of the Grantor. For purposes of this clause, the term "parking area" means a cleared area, paved or unpaved, suitable for the parking of passenger vehicles of such sizes and in such locations as are acceptable to all Parties.

PART IV PUBLIC ACCESS

A. Recreation. The public shall have the right to enter, traverse and otherwise use the Property for recreational activities, including but not limited to hunting, fishing, hiking, snowshoeing, skiing, biking and horseback riding. Snowmobiles and other motorized vehicles will be permitted on designated roads and trails as shown on Exhibit B attached hereto. The Grantor may reasonably regulate public use of and temporarily restrict or deny access to defined portions of the Property to avoid interference with the Grantor's reserved rights, provided that nothing in this Part IV(A) shall be interpreted as a limitation on Grantor's reserved rights to close Grantor's privately owned roads to motorized traffic as described in Part II(B) ("Non-Commercial Recreation"), above. The Grantor shall not charge the public or otherwise impose a fee for public use of the Property.

B. Restrictions on Public Use. Grantor may reasonably regulate or prohibit antisocial behavior, destruction or vandalism to improvements, harassment of or harm to wildlife and removal of any trees, firewood or other forest products by the general public. Grantor may reasonably regulate or prohibit public use and access where public safety may be threatened by the risk of wildfire, floods, landslides, wildlife or other hazards. The Grantor may reasonably regulate or prohibit public use and access where necessary to correct resource damage from any recreational use until the damage is mitigated by Grantee.

PART V GENERAL TERMS AND CONDITIONS

A. Duration of Easement. This Easement runs with the land and shall continue in perpetuity and shall bind Grantor and all future owners, assigns, and tenants of the Property.

B. Successors in Interest. The obligations of the Grantor under this Easement shall bind the Grantor's heirs, successors, agents, and assigns.

C. Authorized Representatives. As used in this Easement, the term Grantee shall include its agents, successors or assigns.

D. Funding Agencies. The California Wildlife Conservation Board ("WCB") has made a grant of funds to Grantee to support the acquisition of this Easement; additional funds may have been provided by other funding agencies (the WCB and other funding agencies, if any, are referred to collectively herein as "Funding Agencies"). Grantee has entered into Conditional Grant Agreement No. WC-9014 BG with WCB, pursuant to which WCB provided funding for the acquisition of this Conservation Easement (the "WCB Grant Agreement"), a copy of which has been provided to Grantor. A notice of the WCB Grant Agreement has been recorded in _____ County. Should Grantee violate any essential terms or conditions of the WCB Grant Agreement and, after receiving due notice according to the guidelines provided in the WCB Grant Agreement, fail to cure such breach according to the process provided in the WCB Grant

Agreement, the Wildlife Conservation Board may require Grantee to convey its interest in the Conservation Easement to the Wildlife Conservation Board or another qualified entity. Grantee hereby agrees to forward to Grantor any notice by WCB of any such potential breach, or any other communication between Grantee and WCB regarding such potential breach, according to the guidelines set forth under Part V, Section V of this Easement.

E. Hold Harmless. Grantor hereby releases and agrees to hold harmless, indemnify, and defend Grantee and its members, directors, officers, employees, agents, and contractors and the heirs, personal representatives, successors, and assigns of each of them from and against any and all liabilities, penalties, fines, charges, costs (including reasonable attorney fees), losses, damages, expenses, causes of action, claims, demands, orders, judgments, or administrative actions, including but not limited to any injury to or death of any person, emotional injury, physical damage to any property, arising out of or resulting from, and to the extent of Grantor's negligence or willful misconduct, or that of its employees, agents, contractors, or licensees and guests, including the violation or alleged violation of or other failure to comply with, any state, federal, or local law, regulation, or requirement, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act and the Model Toxics Control Act.

F. Enforcement. Grantee shall give Grantor thirty (30) days written notice (Cure Period) of a violation of this Easement. If the Grantee determines, in its sole discretion, that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, Grantee may pursue such corrective action without waiting for the Cure Period to expire, including but not limited to a lawsuit for injunctive relief. In the event the violation is not cured within the Cure Period, Grantee may take such action as is reasonably necessary to correct the violation and recover the cost of such corrective action as damages including Grantee's administrative costs. If a dispute arises out of a breach of this Easement that does not entitle the Grantee to take immediate action as set forth above, and if such dispute cannot be settled through negotiations within thirty (30) days of Grantee giving Grantor written notice of an alleged breach (Negotiation Period), that matter shall be submitted to mediation before resorting to litigation or some other dispute resolution procedure. If the Grantor and the Grantee cannot agree on a mediator within thirty (30) days from conclusion of the Negotiation Period, the matter shall be referred to the Sacramento Office of the American Arbitration Association for mediation. Grantee shall be entitled to recover damages for injury to any conservation values protected by this Easement, including but not limited to damages for the loss of scenic, aesthetic, or environmental values. In the event a party retains an attorney to bring suit or seek alternative dispute resolution to interpret or enforce this Easement, the prevailing party shall be entitled to reasonable attorney's fees whether or not such matter proceeds to judgment.

G. Waiver. Enforcement of the terms of this Easement shall be at the discretion of either party. Any forbearance by a party to exercise its rights under this Easement in the event of breach of any term by the other party shall not be deemed a waiver by the non-breaching party of such term or of any subsequent breach of the same or any other term of this Easement or of any

of the other rights under this Easement. No delay or omission by either party in exercising its rights shall impair such right or remedy or be construed as a waiver.

H. Acts Beyond Grantor's Control. Nothing contained in this Easement shall be construed to entitle the Grantee to bring any action against the Grantor for any injury to or change in the Property resulting from causes beyond the control of the Grantor including but not limited to vandalism, fire, flood, storm, and earth movement.

I. Unpaid Obligations. Grantor shall pay before delinquency all obligations secured by the Property and all taxes, assessments, fees, and charges of whatever description (collectively, "Taxes") levied on or assessed against the Property, and upon written request, shall provide Grantee with evidence of payment. In the event such obligations become delinquent, Grantee shall have the right, but not the obligation, to cure the delinquency and recover such payments with interest at twelve percent per annum as damages.

J. Extinguishment. It is the intention of the parties that the Conservation Purposes of this Easement shall be carried out forever, notwithstanding economic or other hardship or changed conditions of any kind. No inaction or silence by Grantee shall be construed as abandonment of the Easement. The fact that the Property, in whole or in part, is not being managed for timber shall not be reason for termination of this Easement. This Easement shall not be terminated unless circumstances arise in the future that otherwise render the purpose of this Easement impossible to accomplish and such termination meets the criteria for termination set forth in California Public Resources Code sections 10273 and 10274, and other applicable laws, rules and regulations, as determined by judicial proceedings in a court of competent jurisdiction. The amount of the proceeds to which Grantee shall be entitled from any sale, exchange or involuntary conversion of all or any portion of the Property subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by the laws of the State of California at the time, in accordance with this Part V Section J.1, below. Grantee shall use all such proceeds in a manner consistent with the conservation purposes of this Easement.

1. Value of the Easement. This Easement constitutes a real property interest immediately vested in Grantee, which for purposes of this Section, the parties stipulate to have a fair market value determined by multiplying the fair market value of the Property unencumbered by the Easement (minus any increase in value after the date of this grant attributable to improvements) by the ratio of the value of the Easement on the Effective Date to the value of the Property, unencumbered by the Easement, as of the Effective Date. The values on the Effective Date shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this grant, pursuant to Section 170(h)(3) of the Internal Revenue Code of 1986, as amended. For the purposes of this paragraph, the ratio of the value of the Easement to the value of the Property unencumbered by the Easement shall remain constant.
2. Condemnation. If all or any part of the Property is taken by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation,

so as to terminate this Easement in whole or in part, Grantor and Grantee shall act jointly to recover the full value of their respective interests in the Property so taken or purchased (in accordance with the ratio established in Part V Section J.1), and all direct or incidental damages resulting therefrom. All expenses reasonably incurred by Grantor and Grantee in connection with the taking or purchase shall be paid out of the amount recovered. If only a portion of the Property is subject to such exercise of eminent domain, this Easement shall remain in effect as to all other portions of the Property. Grantor shall immediately notify Grantee of any exercise of condemnation or purchase in lieu of condemnation.

3. Distribution of Grantee's Proceeds. The acquisition of this Easement by Grantee was funded by grants from the Funding Agencies. Upon termination of this Easement or any portion thereof, all expenses reasonably incurred by Grantor and Grantee in connection with the taking or in lieu purchase as described in Part V Section J2. shall first be reimbursed out of the amount recovered. Then, the Grantee's share of the amount recovered after expenses shall be equal to the fair market value of the Easement as valued in Part V Section J1., or the entire amount recovered, whichever is the lesser amount. Then, the Grantor's share of the amount recovered shall be equal to the fair market value of the Property minus the Easement as valued in Part V Section J1., or the remaining amount recovered, whichever is the lesser amount. Finally, any remaining amount shall be paid to Grantee and Grantor in proportion to the amount that the fair market value of their interest bears to the fair market value of the total Property including the Easement. Grantee shall direct a portion of any non-reimbursed proceeds received to the Funding Agencies, based on a percentage equal to their proportionate share of the value of the Easement or portion thereof. The amount required to be paid in connection with any termination shall be distributed as follows: (i) to the California Wildlife Conservation Board, one hundred percent (100 %), representing the proportion of Easement value originally contributed by these Funding Agencies for the purchase of this Easement. This Easement shall not be deemed terminated until such payment is received by all parties. Grantee shall use any funds received from the termination of this Easement in a manner consistent with the purpose of this Easement.

K. Entire Agreement. This document sets forth the entire agreement of the parties. Any prior or contemporaneous discussions, negotiations, or agreements are of no effect.

L. Prior Notice and Approval. Grantor shall not undertake or permit any activity requiring prior approval by the Grantee without first having notified and received approval from the Grantee as provided herein; provided, however, forest management activities authorized by the FPA and implementing rules and not otherwise expressly prohibited by this Easement do not require Grantee's prior approval. Grantee shall receive all notifications and documentation required by FPA rules in conjunction with preparation of timber harvest plans.

Prior to the commencement of any such activity, Grantor shall send the Grantee written notice of its intention to undertake or permit such activity. The notice shall inform the Grantee of all aspects of the proposed activity, including location, design, materials or equipment to be used, dates and duration, and any other relevant information, and shall be sent by registered or certified mail, return receipt requested, to the Grantee at its address of record, or such other addresses as Grantor may from time to time be informed of in writing by the Grantee.

The Grantee shall have 30 days from receipt of the notice, as indicated by the date of the return receipt, to review the proposed activity and to notify Grantor of any objections thereto; provided that the 30-day period shall not begin until such time as the Grantee has received reasonably adequate information from Grantor to evaluate the proposed activity. In the event that the Grantee requires additional information to evaluate the proposed activity, the Grantee shall request the information from Grantor as soon as practicable, and in any case not later than 30 days after the receipt of the notice of the proposed activity; otherwise, Grantee shall be deemed to not need any additional information.

The Grantee's decision to approve or disapprove the activity proposed by Grantor shall be sent by registered or certified mail, return receipt requested, to Grantor at the address first stated above, or to such other address as the Grantee may from time to time be informed of in writing by Grantor.

A decision by the Grantee to disapprove a proposed activity must be based upon the Grantee's reasonable and good faith determination that the proposed activity is inconsistent with the Conservation Values of this Easement. If in the Grantee's judgment it is possible that the proposed activity can be modified to be consistent with the Easement, the Grantee's decision notice shall inform Grantor of such modification(s). Once modification is made to the satisfaction of the Grantee or the Grantee otherwise concurs with the matters set forth in Grantor's notice, the proposed activity may thereafter be conducted in a manner that is reasonably acceptable to the Grantee. If the Grantee cannot reach agreement on the proposed activity with the Grantor, the Parties shall have further right to seek any remedy applicable, whether at law or in equity.

Grantee shall post its response to Grantor's notice within forty five (30) days of its receipt of notice or within forty five (30) days of the time that the Grantee has all the additional information it requested pursuant to this Easement, whichever is later. Should Grantee fail to post notice within the specified time, Grantee shall be deemed to have approved Grantor's proposed activity.

M. Amendment. If circumstances arise under which an amendment to or modification of this Easement would be appropriate, and subject to the prior written approval of the Funding Agencies, Grantor and Grantee may jointly amend this Easement; provided that no amendment shall be allowed that (1) will adversely affect the qualification of this Easement or the status of Grantee under any applicable laws, including Section 815 et seq., of the California Civil Code or Section 170(h)(3) of the Internal Revenue Code of 1986, as amended, (2) is inconsistent with the Conservation Purposes of this Easement, or (3) affects the perpetual duration of the Easement. Any such amendment shall be in writing and be recorded in the official records of _____

County, California. Grantee shall provide a copy of any amendment to WCB following recording. Notwithstanding the foregoing, any amendment that is made without the prior written approval of the Funding Agencies shall be void.

N. Subsequent Transfer of Ownership. Grantor may convey the Grantor's interest in the Property, subject to the terms of this Easement after forty-five (45) days' written notice to Grantee. Grantor shall reference the Easement in its deed of conveyance. The Grantee may assign its rights and obligations under this Easement only to an organization that is a qualified organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1954, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder, and authorized to acquire and hold conservation easements under California Civil Code section 815.3 (or any successor provision then applicable). As a condition of such transfer, Grantee shall require the transferee to agree to perform all obligations of Grantee hereunder. Furthermore, any assignment of this Easement requires prior written consent of the Funding Agencies, which shall not be unreasonably withheld so long as the Easement's purpose is upheld. Any deed or other instrument of conveyance whereby this Easement is acquired by a nonprofit organization shall be recorded and shall set forth the executory interest and right of entry on the part of the State of California.

O. Termination of Grantee. If Grantee ceases to exist, or is no longer authorized to hold conservation easements under Section 170(h)(3) of the Internal Revenue Code of 1986, as amended (or any successor provisions then applicable), and the applicable regulations promulgated there under and California Civil Code section 815.3 (or any successor provision then applicable), then title to this Easement will immediately vest in the State of California. The State of California acting through the Wildlife Conservation Board as Funding Agency may, at its discretion and with the approval of other Funding Agencies or their successors and assigns, as appropriate, identify an appropriate public or private entity to accept the right, title and interest in the Easement in lieu of the State. However, prior to that termination, upon approval of the Grantee, Grantor and the Funding Agencies, the Easement may be assigned according to Part V Section N.

P. Rule of Construction. This Easement shall be liberally construed in favor of the grant to effect the Conservation Purposes of this Easement and the policy and purpose of California Public Resources Code Section 75055 (a) enabling the California Wildlife Conservation Board Forest Conservation Program. The parties acknowledge that each has had an opportunity to have this Easement reviewed by an attorney and agree that the terms shall not be presumed construed against the drafter.

Q. Easement Management. The Grantee shall have the right to delegate management and enforcement authority under this Easement to any duly appointed conservation easement manager, which may include a federal, state, or local government agency or non-profit agency. This appointment may be changed from time to time. And, such appointment shall be consistent with the implementation of this Easement and the Conservation Values thereof.

R. Invalidity. Invalidity of any of these covenants and restrictions or anything else contained herein or any part thereof by judgments or court orders shall in no way affect the validity of any of the other provisions hereof which shall remain in full force and effect.

S. Compliance with Laws. Grantor shall comply with all federal, state, or local laws while performing any of the activities on the Property authorized herein.

T. Future Liens and Encumbrances to be Subordinate to Easement. Grantor is entitled to use the Property as collateral for subsequent borrowing, provided that any and all financing liens or encumbrances shall be subordinate to this Easement.

U. No Collateralization. This Easement may not be used as security for any debt without the written approval of the Funding Agencies or their successors and assigns, as appropriate.

V. Notices.

1. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other shall be in writing and served personally by certified mail, return receipt requested, by courier service or by express overnight delivery service (such as Federal Express) and addressed as follows:

To Grantor:

Sierra Pacific Industries
19794 Riverside Ave.,
Anderson, CA 96007
P.O. Box 496014
Redding, CA 96049-6014
Attn: Dan Tomascheski
Tel: (530) 378-8000
FAX: (530) 378-8109
Cell: (530) 524-6231
e-mail: dtomascheski@spi-ind.com

To Grantee:

Truckee Donner Land Trust
P.O. Box 8816
Truckee, CA 96162
For overnight delivery purposes:
10069 West River Street, Suite 1C
Truckee, CA 96161
Attn: Perry Norris or John Svahn
Tel: (530) 582-4711
FAX: (530) 582-5528

With copies to:

David H. Dun, Esq.
Dun & Martinek, LLP
P.O. Box 1266
Eureka, CA 95502
Tel: (707) 442-3791

Sierra Pacific Industries
P.O. Box 496014
Redding, CA 96049-6014
Attn: Susan Witherspoon
Tel: (530) 378-8135
FAX: (530) 378-8139

To WCB:

California Wildlife Conservation Board
Attn: Executive Director
1807 13th Street, Suite 103
Sacramento, CA 95814

2. All notices will be considered given: (1) if sent by mail, three (3) days after deposited in the mail, first class postage prepaid, addressed to the party to be notified; or (2) if delivered by hand, courier service, or overnight delivery, when delivered. The parties may, by notice as provided above, designate a different address to which notice will be given.

X. Exhibits. All exhibits referenced herein are incorporated into this Easement as part of this Easement.

GRANTOR:

By: _____
Name: _____
Title: _____
Date: _____

GRANTEE:

By: _____
Name: _____
Title: _____
Date: _____

ACKNOWLEDGMENT

State of _____)
County of _____)

On _____ before me, _____,
Notary Public, personally appeared _____, who proved to me on the
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

ACKNOWLEDGMENT

State of _____)
County of _____)

On _____ before me, _____,
Notary Public, personally appeared _____, who proved to me on the
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit A
Description of the Property

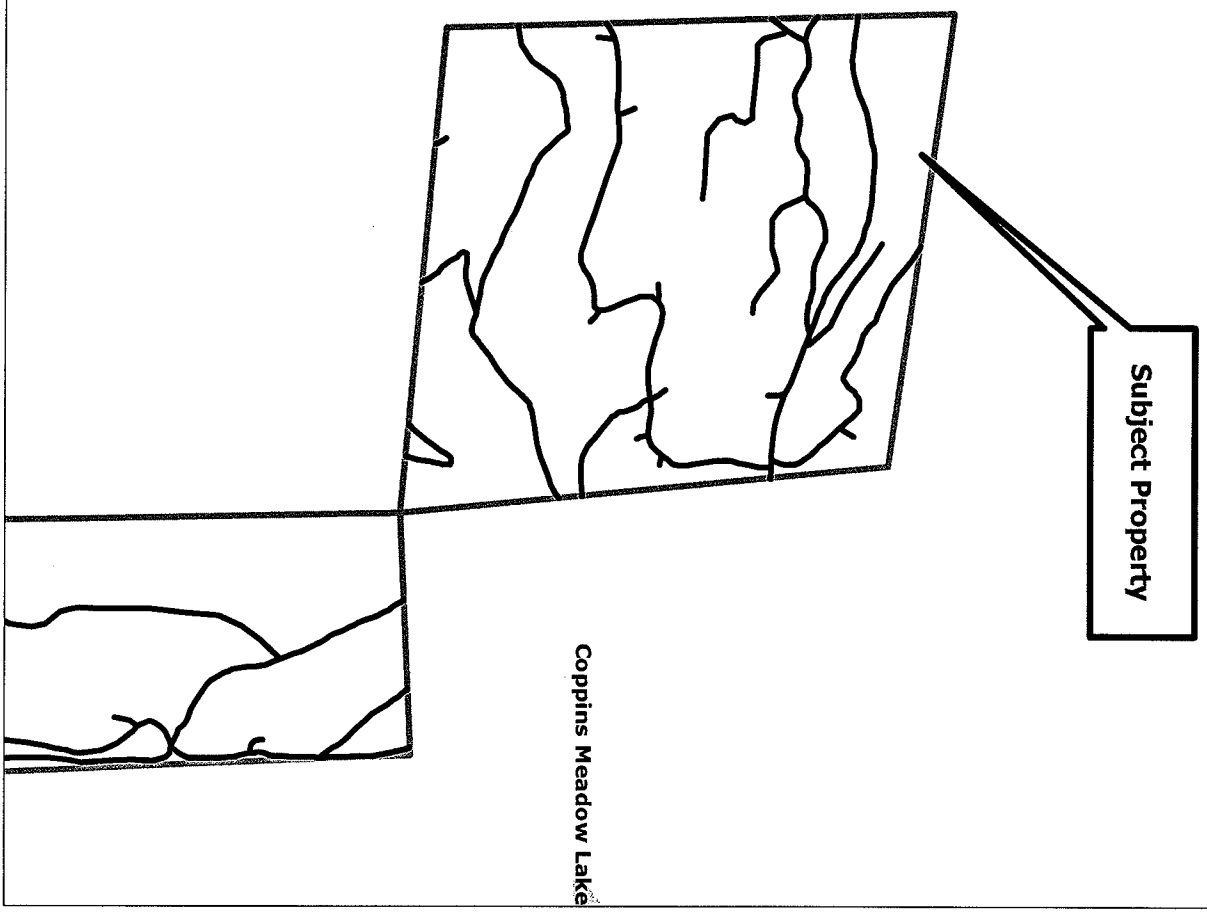
AS TO SIERRA COUNTY

ALL SECTION 19, TOWNSHIP 19 NORTH, RANGE 14 EAST, MDM.

A.P.N. 14-090-04

EXHIBIT B

-005-0

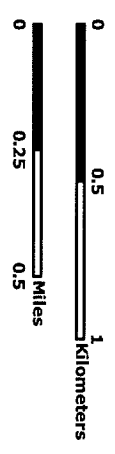


Sierra Crest Project Roads and Trails

Legend

Conservation
Easement Parcels

Roads



NOTICE OF EXEMPTION

TO: Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

FROM: Sierra Nevada Conservancy
11521 Blocker Drive, Suite 205
Auburn, CA 95603

=====

PROJECT TITLE: Sierra Crest Working Forest Conservation Easement Phase III

PROJECT LOCATION: The SPI land parcels (Sierra Crest Phase III) are located mostly north of FS07/Jackson Meadows Road and in the vicinity of Webber Lake. The project area includes a portion of the Lake of the Woods, portions of Coppins Meadow, the southern flank of Webber Peak, and several unnamed creeks. The lands are located in the headwaters of the Middle Yuba, Middle Fork Feather, and Little Truckee River watersheds in Sierra county, Assessor's Parcel Numbers: 19N14E -15, -17, -21, -23, -31

COUNTY: Sierra

DESCRIPTION OF THE NATURE AND PURPOSE OF PROJECT: The project will involve the Trust for Public Land purchasing conservation easements over 2,720 acres of Sierra Pacific Industries alpine forestlands. Once acquired, all of the conservation easements will be held for permanent stewardship and monitoring by the Truckee Donner Land Trust. Sierra Pacific Industries will continue to own the land in fee and manage the properties sustainably as productive timberland, subject to the terms of the easements held by the Truckee Donner Land Trust. This is the third and final phase of the Sierra Crest Conservation Easement Project that has already placed conservation easements over 4,365 acres of Sierra checkerboard lands.

PUBLIC AGENCY APPROVING THE PROJECT: Sierra Nevada Conservancy

NAME OF PERSON OR AGENCY CARRYING OUT THE PROJECT:

The Trust for Public Land (Attn: Carl Somers; (415) 800-5286; carl.somers@tpl.org)

EXEMPT STATUS:

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269(b) and (c))
- ☐ Statutory Exemption (Section:_____)
- X Categorical Exemption Class: 25 Section: (a) Transfers, acquisitions or ownership of interest in land to preserve existing natural conditions

REASONS WHY PROJECT IS EXEMPT: The project is exempt pursuant to Section 15325 of the California Environmental Quality Act (Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions). The land acquisition will allow the Trust for Public Land to preserve existing natural conditions of the site which meets the intent of Categorical Exemption 15325 (a) which exempts transfers of ownerships from environmental review when the acquisition, sale, or other transfer

of areas are intended to preserve natural conditions, including plant and animal habitats.

CONTACT: Brandon Sanders

TELEPHONE: (530) 823-4709

EMAIL: bsanders@sierranevada.ca.gov

Sierra Nevada Conservancy

Date

Date filed with OPR